



AUDITOR - GENERAL  
SOUTH AFRICA

Independent Police Investigative Directorate  
City Forum Building  
114 Madiba Street  
Private Bag X941  
Pretoria  
0001

Date: 18 May 2017

**COMMUNICATION OF FINDINGS IDENTIFIED DURING THE AUDIT OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 2017-03-31**

**Background**

1. In performing the audit of the financial statements we identified misstatements/ instances of non-compliance as described in the annexure. We have recorded the internal control deficiency that gave rise to the misstatements/ instances of non-compliance and our recommendation for correcting the [misstatements/ instances of non-compliance for your consideration. The effect of these [misstatements/ instances of non-compliance could potentially be material.
2. The finding will be included in the management report including your comments and our final response.

**Required**

3. You are requested to indicate whether you agree with the facts stated in the annexure including whether you agree with the identified internal control deficiency. Should you disagree, please provide us with documentary evidence to the contrary within 5 days from the date of this communication, as agreed in the engagement letter.
4. Should you agree, you are hereby requested to make the necessary corrections.
5. Should you choose not to make the necessary corrections, kindly communicate your reasons for this within 5 days from the date of this communication, as agreed in the engagement letter. The remaining uncorrected misstatement/ instances of non-compliance will then be evaluated for reporting purposes based on materiality.
6. Should you choose to make the necessary corrections, kindly refer the point(s) described below and provide us with the necessary information within 5 days from the date of this communication, as agreed in the engagement letter:

**Compliance with legislation**

7. Please provide us with the reasons for the instances of non-compliance and the steps that will be taken to rectify the matter in future.

Yours sincerely

Stephen Kheleli  
Senior Manager: National D

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**Acknowledgement of receipt by management:**

\_\_\_\_\_  
Received by

\_\_\_\_\_  
Date

**Audit of Performance Information****Detailed audit finding****1. Current year intake cases closed as special closure****Requirement**

In terms of Public Finance Management Act section (40)(3)(a) *“The annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must:*

*“fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned”*

Furthermore In terms of standard operating procedures (SOP) for IPID effective in March 2015.

Par 3: Definitions, Decision Ready is defined as *“Investigations where an investigator has conducted quality investigations and obtained all necessary evidence to enable the NPS to make a decision whether to prosecute or not;”*

Further investigation section 35 *“refer to the DI to finalise as decision ready and/or closure. (If case completed/closed by DI-PH should still be informed as per regulation 4(3)(i) (Note that only criminal recommendations that are submitted will result in case status changing from “Active” to “Decision Ready”*

**General results where no recommendation is made:**

- *Unfounded*
- *Indeterminate*
- *Unsubstantiated*
- *Closed as referred*
- *Closed as a duplicate*
- *Closed as systemic corruption*

**Audit finding**

For the indicators listed below, the current year intake was closed as special closure where no recommendations were made to the NPA, however regarded as decision ready.

**a) Percentage of investigations of rape by a police officer that are decision ready**

CCN	Section	Date captured	Closure type
2016040200	Rape by police officer	29-May-16	Unfounded

**b) Percentage investigations of other criminal and misconduct matters referred to in section 28(1) (h) and 35 (1)(b) of the IPID Act that are decision ready**

**(i) Cases closed as unfounded/ unsubstantiated**

CCN	Section	Date completed	Closure type
2016050591	28.1 h - Any other referred matter	22-Jul-16	Unfounded

**(ii) Cases closed as referred**

CCN	Section	Date completed	Closure type
2016090371	28.1 h - Any other referred matter	19-Oct-16	Referred
2016100831	28.1 h - Any other referred matter	16-Nov-16	Referred
2016100268	28.1 h - Any other referred matter	25-Oct-16	Referred

**c) Percentage investigations of corruption that are decision ready**

CCN	Section	Date completed	Closure type
2016060058	28.1 g - Corruption matters within the police	14-Oct-16	Unsubstantiated
2016060601	28.1 g - Corruption matters within the police	29-Sep-16	Referred
2016070364	28.1 g - Corruption matters within the police	28-Sep-16	Referred
2016070491	28.1 g - Corruption matters within the police	24-Aug-16	Unfounded
2016100909	28.1 g - Corruption matters within the police	28-Nov-16	Unsubstantiated

**d) Percentage of all backlog decision ready cases finalised**

CCN	Section	Date completed	Closure type
2015080086	28.1 f - Torture or assault	29-Jul-16	Unsubstantiated
2016020373	28.1 f - Torture or assault	27-May-16	Referred
2016020422	28.1 c - Discharge of an official firearm	22-Jul-16	Unsubstantiated
2016020610	28.1 a – Death in police custody	20-Jul-16	Unfounded

**e) Percentage investigations of deaths as a result of police action that are decision ready**

CCN	Section	Date completed	Closure type
2016050178	28.1 b – Death as a result of police action	30-Jun-16	Duplicate

**f) Percentage investigations of death in police custody that are decision ready**

CCN	Section	Date completed	Closure type
2016050375	28.1 a – Death in police custody	22-Jun-16	Unsubstantiated
2016040238	28.1 a – Death in police custody	29-Apr-16	Unsubstantiated
2016060127	28.1 a – Death in police custody	24-Jun-16	Unsubstantiated
2016080024	28.1 a – Death in police custody	31-Aug-16	Unsubstantiated

**Root Cause**

- The flow centric system is not setup in such a way that it would allow a case to be re-opened using the original CCN in the system when required to avoid duplicate cases in the system.
- The system does not allow the users to close cases without going through the process of decision ready processes (criminal recommendations) resulting in cases that are not decision ready being reported as such.
- Furthermore the system is not properly aligned with the Investigations' standard operating procedure (SOP) to ensure consistent reporting.

**Impact**

- This may result in the special closure cases to be incorrectly classified as decision ready resulting in an overstatement of performance information reported under the listed indicators
- Non-compliance to the Public Finance Management Act section (40)(3)(a)

### **Internal control deficiency**

#### **Performance and Financial Management:**

Management did not ensure that the flow centric system is configured in such a way that it is properly aligned with the Investigations' standard operating procedures and to allow cases that are not decision ready to be closed as such. This will ensure that decision ready cases are not overstated on the annual performance report.

#### **Recommendation**

Management should ensure that the flow centric system is configured and aligned with the Investigations' standard operating procedure (SOP) to ensure consistent application of the requirements of the SOP and consistent performance reporting.

#### **Management's response**

I am in agreement with the finding, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:  
Files were closed as Special closure in the final year from April 2016 to August 2016 the IPID was never in possession of the docket, where investigations were carried out in the case file and where no criminal or departmental recommendations could be made.

Cases closed under Special Closure were closed as follows:-

Unfounded – Case was investigated and proved to be false

In determined – Where complainant, witnesses and suspects could not be traced or where uncooperative

Unsubstantiated – Where there was no evidence to prove the allegations-

Referred – where cases was already dealt with by the SAPS and the cases were seen by the SPP and declined

Duplicate – where a case was registered on the same information received prior to the registration

Closed as Systematic Corruption – where investigations on a Corruption case indicated that the matter was more of a Systematic Corruption matter than a Corruption case. The corruption case was closed and a Systemic Corruption case was registered.

File closed as Special Closure did not require recommendations made to the NPA or the SAPS as it was impossible to make those recommendations after the investigations conducted in these files.

Since the Special Closure function was disabled in September 2016, no cases were completed as Special Closure from September 2016.

All cases that were closed as Special Closure during April 2016 – August 2016 were re-registered on the system with new CCN numbers and were allocated to the investigators to complete with NPA recommendations irrespective whether the docket was with IPID or not. The status of cases on Flow centric will only change from Active to Decision Ready when a Criminal Recommendation is made. The status of the file will not change from Active to Decision Ready even if Departmental recommendations are made. This makes it impossible to close a file without making criminal recommendations.

Name : CP VN DER SANDT  
Position: DIRECTOR INVESTIGATION  
Date: 2017-04-11

#### **Auditor's conclusion**

Management comments noted, where investigations were not performed on the special closure cases, these cases cannot be regarded and reported as decision ready taking into consideration the definitions of the Standard Operating Procedures and the Technical Indicator Descriptions. Therefore Management should revisit the entire population of decision ready cases and ensure corrections as this may result to overstatement of performance in the Annual Performance Report.

## 2. Duplicate cases recorded in the flow centric system.

### Detailed audit finding

#### Requirement

In terms of Public Finance Management Act section (40) (3) (a) the annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must—

*“Fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned”*

*financial position as at the end of the financial year concerned”*

Furthermore In terms of standard operating procedures (SOP) for IPID effective in March 2015.

**Par 3: Definitions,** Decision Ready is defined as *“Investigations where an investigator has conducted quality investigations and obtained all necessary evidence to enable the NPS to make a decision whether to prosecute or not;”*

**Further investigation section 35** *“refer to the DI to finalise as decision ready and/or closure. (If case completed/closed by DI-PH should still be informed as per regulation 4(3)(i) (Note that only criminal recommendations that are submitted will result in case status changing from “Active” to “Decision Ready”*

#### **General results where no recommendation is made:**

- *Unfounded*
- *Indeterminate*
- *Unsubstantiated*
- *Closed as referred*
- *Closed as a duplicate*
- *Closed as systemic corruption*

### Audit finding

For the indicators listed below, case files have been duplicated in the flow centric system

#### **a) Percentage of investigations of assault that are decision ready**

CCN 2016020430 was duplicated with CCN 2016040124 and re-opened as CCN 2016100568, and all three cases have been recorded as decision ready.

CCN	Section	Date closed	Duplicate CNN	Duplicate CCN
2016040124	28.1 f - Torture or assault	14 April 2016	2016020430	2016100568

**b) Percentage investigations of other criminal and misconduct matters referred to in section 28(1) (h) and 35 (1) (b) of the IPID Act that are decision ready**

CCN number 2016040541 and CNN 2016050334 were closed as “special Closure” however included as decision ready. Both cases were re-opened as CCN 2016100311 and 2016050015 respectively and are also closed as decision ready.

CCN	Section	Date Closed	CCN
2016040541	28.1 h - Any other referred matter	09-Jul-16	2016100311
CCN	Section	Date Closed	CCN
2016050015	28.1 h - Any other referred matter	09-Jul-16	2016050334

**Root Cause**

- The system does not have applications controls in place, to identify duplicate information that's already registered such as: same complainant name, Identity number etc. to notify the case worker that information has already being captured and follow up's should be made prior to registration of the new case.
- In cases where a duplicate case was identified within one month, a call can be logged with flow-centric controller to delete a duplicate case.
- However if the duplicate is identified after one month from date of registration, the system does not allow the case to be closed, where no recommendation have being made to NPA without first going through the decision ready process (criminal recommendation), resulting in the cases that are not decision ready incorrectly classified.

**Impact**

- This may result to performance information reported relating to the indicator being overstated
- Noncompliance to the Public Finance Management Act section (40)(3)(a)

**Internal control deficiency**

Financial and performance management

The Director or Provincial Head did not put in place adequate controls for correction of errors in the flow centric system as they were able to identify the duplicated investigation case file however no correction were made in the system.

**Recommendation**

Management should ensure that adequate controls are in place in the correction of all identified errors made in the flow centric system in order to avoid misstatements in the performance reporting.



## **Management's response**

I am in agreement with the finding, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

Duplicates were registered when the station submits a report and a file is registered and later the victim calls to the office another file is registered as the information provided by SAPS and the victim differs. This is only identified when the investigations are conducted by the office. When it is identified that such cases are duplicate, the latter file was closed as a Special Closure case marked duplicate without any recommendations.

A case which is identified during the same month can no longer be de-registered from Flow-centric. This was done away in the last financial year as per instructions from Head Office.

This office was informed that all Special Closure cases must be re-registered and closed as Decision Ready which was done accordingly. All cases which were re-registered were closed again as Decision Ready which meant that the same file was closed twice on Flow Centric.

Name : CP VN DER SANDT  
Position: DIRECTOR INVESTIGATION  
Date: 2017-04-11

Management comments noted, where investigations were not performed on the special closure cases due to duplicates etc., these cases cannot be regarded and reported as decision ready taking into consideration the definitions of the Standard Operating Procedures and the Technical Indicator Descriptions. Therefore Management should revisit the entire population of decision ready cases and ensure corrections as this may result to overstatement of performance in the Annual Performance Report.

### 3. No receipt date stamped on the complainant forms.

#### Detailed audit finding

##### Requirement

PFMA section 38(1) (a) (i), states that, “The accounting officer for a department, trading entity or constitutional institution must ensure that department, trading entity or constitutional institution has and maintains, effective, efficient and transparent systems of financial and risk management and internal control

Furthermore “In terms of standard operating procedures (SOP) for IPID that was effective from 1<sup>st</sup> April 2015 par 6.2 (1) Procedure for registering the case:

“A complainants form, or written complaint, must be completed in every event that IPID is to investigate a case (Form 1 or 2 as per IPID Regulations); all written complaints must be stamped with a receipt date. In the event that the written complaint is received outside normal working hours, the first available working day date will be regarded as the date of receipt”

##### Audit finding

#### Percentage of cases registered and allocated within 72 hours of written notification

a) For the cases listed below, the complainant forms had no receipt date stamp and therefore we could not verify the number of hours taken to register and allocate the case.

CCN	Section	Date captured
2016070169	28.1 c - Discharge of an official firearm	07/08/2016
2016050182	28.1 c - Discharge of an official firearm	05/05/2016
2016050375	28.1 a – Death in police custody	05/11/2016
2016070246	28.1 c - Discharge of an official firearm	05/18/2016
2016100495	28.1 c - Discharge of an official firearm	07/13/2016
2016090720	28.1 f - Torture or assault	10/19/2016
2016060433	28.1 f - Torture or assault	09/30/2016
2016050060	28.1 c - Discharge of an official firearm	05/05/2016

##### Impact

- This may result to overstatement of performance information reported relating to cases registered and allocated within 72 hours of written notification
- Noncompliance to the Public Finance Management Act section (40)(3)(a)

##### Internal control deficiency

The director or Provincial head did not ensure that all written complaints are stamped with a receipt date to ensure that all the cases that are registered and allocated within 72 hours can be substantiated by appropriate evidence.

##### Recommendation

The director or provincial head should ensure that all written complaints are stamped with a receipt date to ensure that the cases are registered and allocated within 72 hours can be substantiated appropriately.

**Management's response**

I am in agreement with the finding, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

The date on which the complaints were received was endorsed in writing during the Case Intake Committee meeting. All complaints go to the Case Intake Committee meeting for verification and classification.

Going forward all complaints received will be date stamped and forwarded to the Case Intake Committee meeting for classification and verification.

Name : CP VN DER SANDT  
Position: DIRECTOR INVESTIGATION  
Date: 2017-04-11

**Auditor's Conclusion**

Management comments noted, we cannot substantiate that the receipt and allocation of investigations were made within 72 hours without the stamped complainant form in place. Therefore these cases should not be reported as such in the Annual Performance Report. Management should re-visit the entire population and make corrections.

#### 4. No firearm permit obtained for investigation of discharge of official firearm

##### Detailed audit finding

###### Requirement

In terms of Public Finance Management Act section (40) (3) (a) *“The annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must:*

*“Fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned”*

Furthermore In terms of standard operating procedures (SOP) for IPID that was effective from 1st April 2015.

In terms of the standard operating procedures Par 3: Definitions, “Decision Ready is defined as *“Investigations where an investigator has conducted quality investigations and obtained all necessary evidence to enable the NPS to make a decision whether to prosecute or not;”*

Furthermore Par 6.4.5: Procedure for investigating a case in terms of S28 (1) (c):

*“The Investigator must obtain the relevant permit allowing the SAPS/MPS member to handle and use the firearm in question as well as a report relating to when last the said member was practically evaluated/tested for the handle and use of the said firearm;”*

###### Audit finding

The cases listed below were investigated and signed off as decision ready without obtaining the firearm permit of the suspected police members as required by the standard operating procedure (SOP). The case had a complainant who was injured and a positive recommendation was sent to DPP for decision.

###### Percentage investigations of discharge of official firearm by a police officer that are decision ready.

CCN	Section	Date completed
2016030340	28.1 c - Discharge of an official firearm	31-Aug-16
2016070547	28.1 c - Discharge of an official firearm	12-Aug-16

###### Impact

- The investigation was signed off as decision ready without complete evidence as required by the SOP, which may result in the case not being decision ready.
- Non-compliance with PFMA Section 40(3)(a)

###### Internal control deficiency

###### Financial and performance management

The Director investigations did not properly review the case files for quality to ensure that it meets all the requirements of the SOP before signing off.

###### Recommendation

The Director or Provincial head should ensure that the case files include all the required documentation in order for the cases to be decision ready as per the requirements of the SOP.

**Management's response**

I am in agreement with the finding, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

In future all cases of shooting files will be considered decision ready only when the Competency certificates are attached.

Cases will only go to the NPA for a decision when the competency certificates are attached.

Name : CP VN DER SANDT  
Position: DIRECTOR INVESTIGATION  
Date: 2017-04-11

**Auditor's conclusion**

For all the case investigations relating to discharge of firearm, management should ensure that a permit is obtained as part of evidence as this may affect the credibility of the outcome of the investigations to be decision ready.

## 5. The cases recorded under torture have been classified incorrectly

### Detailed audit finding

#### Requirement

In terms of Public Finance Management Act section (40) (3) (a) the annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must—

*“fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned”*

Furthermore In terms of the Framework for Managing Programme Performance Information Chapter 3.2(a) “A good performance indicator should be reliable; the indicator should be accurate enough for its intended use and respond to changes in the level of performance.

#### Audit finding

For the indicator listed below, the decision ready case has been incorrectly reported as torture instead of assault.

#### Percentage of investigations of torture that are decision ready

CCN	Section code as per case flow-centric	Section code as per case file
2016040395	28.1 f - Torture	28.1 f assault

#### Root Cause

- Classification changes within the system can only be made at the allocation stage, during investigations where additional information obtained may result in a different classification, the system does not allow such changes.

#### Impact

- Percentage of investigations of torture that are decision ready may be overstated in the Annual Performance Report
- Percentage of investigations of assault that are decision ready may be understated in the Annual Performance Report.
- Noncompliance to the Public Finance Management Act section (40)(3)(a)

#### Internal control deficiency

Financial and performance management: The Provincial Head (PH) or Director Investigation (DI) did not properly review the circumstances of the case against the mandate of the IPID to ensure that it was correctly classified prior to signing off the case as decision ready.

#### Recommendation

The PH/DI must ensure that all cases investigated are properly evaluated against S 28(1) of the IPID act, to ensure correct classification and reporting of investigations.

### **Management's response**

I not in agreement with the finding, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

This file was classified correctly as Torture however during the CIC during the investigation process it was identified that the crime committed was Assault.

The system did not allow for the change of classification hence the case still remains as Torture instead of Assault.

Name : CP VN DER SANDT  
Position: DIRECTOR INVESTIGATION  
Date: 2017-04-11

### **Auditor's conclusion**

Management comments noted, the system not allowing for classification changes/corrections based on investigations carried out, may result in misstatement in the performance information to be reported on. Management should revisit the entire population for corrections of classification to ensure the accuracy of the Annual Performance Report.

## 6. Recommendations submitted to stakeholders however not recorded in the Master Register

### Detailed audit finding

#### Requirement

In terms of Public Finance Management Act section (40) (3) (a) the annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must—

*“fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned”*

Furthermore In terms of the Framework for Managing Programme Performance Information Chapter 3.2(a) *“A good performance indicator should be reliable; the indicator should be accurate enough for its intended use and respond to changes in the level of performance.*

#### Audit finding

For the indicator listed below, Recommendations were submitted and receipt was acknowledged by the National Prosecution Authority and the South African Police within 30 days, however not recorded on the recommendation master register.

#### a) Percentage of disciplinary recommendation reports referred to SAPS/MPS within 30 days of recommendation reports being signed off.

CNN	Section	Date signed by the provincial head	Date received by the SAPS
2016050286	Sec 28(1)g- corruption matters within the police	08-Aug-16	23-Aug-16
2016050033	Sec 28(1) f- Torture or assault	20-Jul-16	25-Jul-16
2016040395	Sec 28(1) f- Torture or assault	31-Oct-16	16-Nov-16

#### b) Percentage of criminal recommendation reports referred to the NPA within 30 days of recommendation report being signed off

CNN	Section	Date signed by the provincial head	Date received by the NPA
2016050033	Assault Sec 28(1)(f)	2016/07/20	2016/07/25
2015090035	Death sec (1)(b)	2016/07/27	2016/08/10
2016010175	Death sec (1)(b)	2017/02/18	2017/03/09

#### c) (i) For the cases listed below, Recommendations were submitted and receipt was acknowledged by the South African Police Services after 30 days- ***as per the case files and not recorded on the master register as more than 30 days.***

CNN	Section	Date signed by the provincial head	Date received by the SAPS	Variance (days)
2016080609	Sec 28(1) f- Torture or assault	24-Oct-16	30-Nov-16	37
2016030199	Sec 28(1) f- Torture or assault	28-Sep-16	16-Aug-16	43
2016060120	Sec 28(1) f- Torture or assault	19-Aug-16	01-Dec-16	104



(ii) For the case listed below, the recommendation was not signed off by the Director: Investigations

CNN	Section	Date signed by the provincial head	Date received by the SAPS
2016080026	Sec 28(1) f- Torture or assault	No signature and date	07-Oct-16

d) For the cases listed below, Recommendations were submitted and receipt was acknowledged by NPA after 30 days- ***as per the case files and not recorded on the master register as “more than 30 days”.***

CNN	Section	Date signed by the provincial head	Date received by the SAPS	Variance (days)
2016070376	Assault Sec 28(1)(f)	2016/08/26	2017/03/17	203
2016070547	Discharge of firearm sec(1) c	2016/06/04	2016/09/22	110
2016020505	Assault Sec 28(1)(f)	2016/06/22	2016/08/04	43
2015120296	Assault Sec 28(1)(f)	2016/07/15	2016/08/28	44

### Impact

- Performance information relating to the indicators may not be completely reported on the annual performance report.
- Non-compliance to the Public Finance Management Act section (40)(3)(a)

### Internal control deficiency

#### *Financial and performance management*

- Director or Provincial head did not ensure that all the recommendations are submitted to the head office to ensure recording in the recommendation master register.
- The director or provincial head did not also ensure that all the recommendations to the SAPS and NPA are submitted within 30 days

### Recommendation

- Director or Provincial head should ensure that all the recommendations are submitted to the head office to be recorded in the master register to ensure completeness of reported information.
- The director or provincial head must ensure that all recommendations to the SAPS and NPA are submitted within 30 days.

### Management's response

I am in agreement with the finding, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

There is a problem when the investigators do not update FlowCentric with their acknowledgement receipts from the SPP or DPP's office. This results negatively in the time-frames that such recommendations were forwarded accordingly.

A register for submitting recommendations have been implements and will be monitored on a fortnightly basis to ensure that recommendations are submitted timeously to the NPA and SAPS.

Name : CP VN DER SANDT  
Position: DIRECTOR INVESTIGATION  
Date: 2017-04-11

#### **Auditor's conclusion**

Management Comments noted, non-submission of recommendations to the head office results to the master register not being updated, therefore possible understatement of performance to be reported in the Annual Performance report. Head Office should have adequate controls in place to ensure that all recommendations made within 30 days and after 30 days are recorded in the Master register.

## 7. Cases re-registered with different case control numbers and reported as decision ready.

### Detailed audit finding

#### Requirement

In terms of Public Finance Management Act section (40) (3) (a) *“The annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must:*

*“Fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned”*

Furthermore In terms of standard operating procedures (SOP) for IPID Par 3: Definitions, “Decision Ready is defined as *Investigations where an investigator has conducted quality investigations and obtained all necessary evidence to enable the NPS to make a decision whether to prosecute or not*”

**Further investigation section 35** *“refer to the DI to finalise as decision ready and/or closure. (If case completed/closed by DI-PH should still be informed as per regulation 4(3)(i) (Note that only criminal recommendations that are submitted will result in case status changing from “Active” to “Decision Ready”*

#### General results where no recommendation is made:

- *Unfounded*
- *Indeterminate*
- *Unsubstantiated*
- *Closed as referred*
- *Closed as a duplicate*
- *Closed as systemic corruption*

#### Audit finding

For the indicators listed below, cases registered and closed in prior financial years as special closure, were re-registered in the current financial year with different Case Control Numbers (CCN) and incorrectly reported as decision ready as no additional investigations were performed and no recommendations were issued.

#### (a) Percentage investigations of other criminal and misconduct matters referred to in section 28(1)(h) and 35 (1)(b) of the IPID Act that are decision ready

New CCN	Old CCN	Section	Date Closed	Type of Closure
2016100426	2011020181	28.1 h - Any other referred matter	30-Nov-16	Indeterminate
2016100773	2011070247	28.1 h - Any other referred matter	28-Nov-16	Unsubstantiated

#### (b) Percentage of investigations of rape by a police officer that are decision ready

New CCN	Old CCN	Section	Date Closed	Type of Closure
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2016100639	2014040142	Rape by police officer	29-Nov-16	Unsubstantiated
2016100290	2015050197	Rape by police officer	29-Nov-16	Unsubstantiated

**(c) Percentage investigations of corruption that are decision ready**

New CCN	Old CCN	Section	Date Closed	Type of closure
2016100307	2016020602	28.1 g - Corruption matters within the police	29-Nov-16	Unfounded
2016100601	2013030509	28.1 g - Corruption matters within the police	16-Nov-16	Unsubstantiated
2016100764	2016020206	28.1 g - Corruption matters within the police	29-Nov-16	Unfounded

**(d) Percentage of investigations of deaths as a result of police actions that are decision ready**

New CCN	Old CCN	Section	Date Closed	Type closure
2016100408	2014010141	28.1 b – Death as a result of police action	29-Nov-16	Unsubstantiated
2016100448	2004070116	28.1 b – Death as a result of police action	28-Nov-16	Unsubstantiated
2016100509	2003080538	28.1 b – Death as a result of police action	29-Nov-16	Unsubstantiated
2016100419	2012020158	28.1 b – Death as a result of police action	28-Nov-16	Unsubstantiated
2016100642	2011110113	28.1 b – Death as a result of police action	28-Nov-16	Unsubstantiated

**(e) Percentage of investigations of deaths while in police that are decision ready**

New CCN	Old CCN	Section	Date Closed	Type of closure
2016100382	2015020006	28.1 a – Death in police custody	30-Nov-16	Unsubstantiated
2016100491	2016010413	28.1 a – Death in police custody	28-Nov-16	Unsubstantiated
2016100825	2016020610	28.1 a – Death in police custody	14-Nov-16	Unsubstantiated

2) For the indicators listed below, cases closed in the current financial year as special closure, were re-registered with different Case Control Numbers (CCN) and incorrectly reported as decision ready as no additional investigations were performed and no recommendations were issued.

**a) Percentage investigations of other criminal and misconduct matters referred to in section 28(1) (h) and 35 (1) (b) of the IPID Act that are decision ready**

New CCN	Old CCN	Section	Date Closed	Type of closure
2016100518	2016060429	28.1 h - Any other referred matter	05-Aug-16	Duplicate
2016100311	2016040541	28.1 h - Any other referred matter	15-Jul-16	Referred
2016100379	2016050351	28.1 h - Any other referred matter	22-Jun-16	Unsubstantiated
2016100515	2016070518	28.1 h - Any other referred matter	27-Jul-16	Unfounded

**b) Percentage investigations of corruption that are decision ready**

New CCN	Old CCN	Section	Date Closed	Type of closure
2016100802	2016040385	28.1 g - Corruption matters within the police	16-Nov-16	Unfounded

### **c) Percentage of investigations of deaths while in police that are decision ready**

<b>New CCN</b>	<b>Old CCN</b>	<b>Section</b>	<b>Date Closed</b>	<b>Type of closure</b>
2016100555	2016070525	28.1 a – Death in police custody	29-Nov-16	Unsubstantiated

#### **Root Cause**

- The flow centric system is not setup in such a way that it would allow a case to be re-opened using the original CCN in the system when required to avoid duplicate cases in the system.
- The system does not allow the users to close cases without going through the process of decision ready processes (criminal recommendations) resulting in cases that are not decision ready being reported as such.
- Furthermore the system is not properly aligned with the Investigations' standard operating procedure (SOP) to ensure consistent reporting.

#### **Impact**

This will result in the following:

- Overstatements of the current year intake as the cases were not received in the current financial year.
- Overstatement of the cases received and allocated within 72 hours as the cases do not relate to current financial year intake.
- Overstatement of decision ready cases reported as no additional investigation was performed and recommendations issued in the current financial year.

#### **Internal control deficiency**

##### **Performance and Financial Management:**

Management did not ensure that the flow centric system is configured in such a way that it is properly aligned with the Investigations' standard operating procedures and to allow cases that are not decision ready to be closed as such. This will ensure that decision ready cases are not overstated on the annual performance report.

#### **Recommendation**

Management should ensure that the flow centric system is configured and aligned with the Investigations' standard operating procedure (SOP) to ensure consistent application of the requirements of the SOP and consistent performance reporting.

## **Management's response**

I am in agreement with the finding, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

- Files were closed as Special closure in the final year from April 2016 to August 2016 the IPID was never in possession of the docket, where investigations were carried out in the case file and where no criminal or departmental recommendations could be made.
- Cases closed under Special Closure were closed as follows :-

Unfounded – Case was investigated and proved to be false

Indetermined – Where complainant, witnesses and suspects could not be traced or where uncooperative

Unsubstantiated – Where there was no evidence to prove the allegations

Referred – where cases was already dealt with by the SAPS and the cases were seen by the SPP and declined.

Duplicate – where a case was registered on the same information received prior to the registration

Closed as Systematic Corruption – where investigations on a Corruption case indicated that the matter was more of a Systematic Corruption matter than a Corruption case. The corruption case was closed and a Systemic Corruption case was registered.

File closed as Special Closure did not require recommendations made to the NPA or the SAPS as it was impossible to make those recommendations after the investigations conducted in these files.

Since the Special Closure function was disabled in September 2016, no cases were completed as Special Closure from September 2016.

All cases that were closed as Special Closure during April 2016 – August 2016 were re-registered on the system with new CCN numbers and were allocated to the investigators to complete with NPA recommendations irrespectively whether the docket was with IPID or not.

The status of cases on Flow-centric will only change from Active to Decision Ready when a Criminal Recommendation is made. The status of the file will not change from Active to Decision Ready even if Departmental recommendations are made.

This makes it impossible to close a file without making criminal recommendations.

Name : CP VN DER SANDT  
Position: DIRECTOR INVESTIGATION  
Date: 2017-04-11

## **Auditor's conclusion**

Management comments noted, where investigations were not performed on the special closure cases due to duplicates etc., these cases cannot be regarded and reported as decision ready taking into consideration the definitions of the Standard Operating Procedures and the Technical Indicator Descriptions. Therefore Management should revisit the entire population of decision ready cases and ensure corrections as this may result to overstatement of performance in the Annual Performance Report.

**8. Notifications of discharge of fire arm from SAPS have being incorrectly classified as decision ready cases.**

**Detailed audit finding**

**Requirement**

In terms of Public Finance Management Act section (40) (3) (a) the annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must—

*“Fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned”*

Furthermore In terms of standard operating procedures (SOP) for IPID Par 3: Definitions, “Decision Ready is defined as *Investigations where an investigator has conducted quality investigations and obtained all necessary evidence to enable the NPS to make a decision whether to prosecute or not*”

Section 35 *“refer to the DI to finalise as decision ready and/or closure. (If case completed/closed by DI-PH should still be informed as per regulation 4(3)(i) (Note that only criminal recommendations that are submitted will result in case status changing from “Active” to “Decision Ready”*

**General results where no recommendation is made:**

- *Unfounded*
- *Indeterminate*
- *Unsubstantiated*
- *Closed as referred*
- *Closed as a duplicate*
- *Closed as systemic corruption*

**Audit Finding**

For the indicator listed below, SAPS notified IPID for the discharge of firearm for example during protests, where rubber bullets were fired to disperse the crowd. No complaints were received; no dockets opened in this regard resulting in full investigations not being performed by IPID. However these notifications (as per the requirement of section 29 of the IPD Act) have being recorded as decision ready cases.

**Percentage of investigations of discharge of an official firearm by a police officer that are decision ready**

CCN	Section	Date of completion
2016050041	28.1 c Discharge of firearm	29-Jun-16
2016050347	28.1 c Discharge of firearm	29-Jul-16
2016050585	28.1 c Discharge of firearm	05-Sep-16
2016060147	28.1 c Discharge of firearm	29-Jul-16
2016060376	28.1 c Discharge of firearm	29-Jun-16
2016070057	28.1 c Discharge of firearm	15-Jul-16
2016070240	28.1 c Discharge of firearm	12-Aug-16
2016080262	28.1 c Discharge of firearm	31-Aug-16
2016090008	28.1 c Discharge of firearm	29-Sep-16
2016100035	28.1 c Discharge of firearm	25-Oct-16
2016100295	28.1 c Discharge of firearm	29-Nov-16

**Root cause**

- The system does not allow for cases that do not meet the definition of decision ready to be closed without first going through the decision ready process (criminal recommendation) resulting in the cases being incorrectly classified.

**Impact**

- This may result to overstatement of S28 (1) (c) of performance information in the quarterly & annual reports.
- Noncompliance to the Public Finance Management Act section (40)(3)(a)

**Internal control deficiency**

Financial and performance management: The Provincial Head (PH) or Director Investigation (DI) did not properly review the circumstances of the case against the Standard Operating Procedures of the IPID to ensure that notifications received are not signed off as decision ready.

**Recommendation**

The PH/DI must ensure that all cases investigated are properly evaluated against S 28(1) of the IPID act, to ensure correct classification and reporting of investigations.

**Management's response**

I am in agreement with the finding, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

These are instance where SAPS notified the IPID of a shooting however there are no injuries, no victims or complainants in the matter. This was merely a notification of a SAPS / Metro member discharging their firearms.

These case were first closed as Special Closure – Unfounded however when the cases were re-registered on instructions from National Office, the cases were then closed as Decision Ready with a recommendation to the SPP even though there were no criminal dockets registered.

This is as a result of Flow-Centric requiring a Criminal Recommendation before a case is to be deemed as Decision Ready and Closed.

Name : CP VN DER SANDT  
Position: DIRECTOR INVESTIGATION  
Date: 2017-04-11



### Auditor's conclusion

Management comment noted, in terms of the Standard operating procedures (see definition of decision ready under "requirements") and the Technical Indicator Descriptions defines the indicator as "the percentage of investigations where an investigator has conducted quality investigations on discharge of an official firearm by police officer and obtained all necessary evidence to enable the NPA, MPS and SAPS to make a decision whether to prosecute or not".

In the instances above, no full investigation was carried out and no evidence relating to discharge of fire arm was obtained, furthermore no recommendations were made to the external stakeholders. Therefore these notifications should not be reported as decision ready. Management should revisit the entire population and ensure correction.

### Assets

#### 9. Assets not physically verified

##### Requirement

In terms of PFMA section 38. General responsibilities of accounting officers.—(1) *"The accounting officer for a department, trading entity or constitutional institution— (d) is responsible for the management, including the safeguarding and the maintenance of the assets, and for the management of the liabilities, of the department, trading entity or constitutional institution"*

##### Audit finding

The following asset was selected from the asset register, however could not be physically verified.

No	Bar code	Serial No.	Asset description	Location of asset	Amount R	Management Response
1	N/A	C24SE31022103	MOTOR VEHICLE ISUZU DOUBLECAB 240	CLAUDINE	115 958	I am in agreement with the above finding; the vehicle could not be verified and is still appearing on the suspense asset register. However, the vehicle has never been an IPID asset, hence it returned to G-Fleet a year ago. Removal of this vehicle from IPID KZN asset register by Head Office is underway and a copy of the submission for removal was handed to AG.

For the Assets listed below, approval was obtained for disposal on the 5<sup>th</sup> of May 2016 by the Acting ED. The assets were disposed, therefore could not be physically verified, and however are still included in the asset register.

No	Bar code	Serial No.	Asset description	Location of asset	Amount R	Management Response
1	5482	N/A	Notebook Laptop Dell	100I0009	22 773	Asset was disposed in May 2016 and thereafter removed from the KZN Asset Register. I am therefore <b>not</b> in agreement with the finding as there is Asset Register in the KZN office reflects this asset
2	5417	C0LNBW1	Notebook Laptop Dell	100M0003	18 382	Asset was disposed in May 2016 and thereafter removed from the KZN Asset Register. I am therefore <b>not</b> in agreement with the finding as there is Asset Register in the KZN office reflects this asset

#### Impact

- Assets not verified for existence due to disposals recorded on the asset register may result to the notes in the Annual Financial statement being overstated by R 157 113.

#### Internal control deficiency

#### Financial & Performance Management

Management has not put in place adequate controls in ensuring that the main asset register submitted for the audit is timeously updated after quarterly provincial asset verifications performed and after completions of disposals.

#### Recommendation

- Management should revisit the entire population and ensure that assets that are approved for disposal and have being disposed are removed from the asset register.

#### Management's response

I am not in agreement with the finding, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

Name : P Maharaj  
Position: Provincial Head  
Date : 10 April 2017

#### Auditor's conclusion

Management comments noted, all the assets that are not under investigations and have being approved for disposal by the committee/ accounting officer, should be removed from the asset register to ensure accuracy of the notes in the Annual Financial Statements.

## Western Cape Province

### Audit of Performance Information

#### 10. No receipt date stamped on the complainant forms.

##### Requirement

PFMA section 38(1) (a) (i), states that, *"The accounting officer for a department, trading entity or constitutional institution must ensure that department, trading entity or constitutional institution has and maintains, effective, efficient and transparent systems of financial and risk management and internal control"*

Furthermore *"In terms of standard operating procedures (SOP) for IPID that was effective from 1<sup>st</sup> April 2015 par 6.2 (1) Procedure for registering the case:*

*"A complainants form, or written complaint, must be completed in every event that IPID is to investigate a case (Form 1 or 2 as per IPID Regulations); all written complaints must be stamped with a receipt date. In the event that the written complaint is received outside normal working hours, the first available working day date will be regarded as the date of receipt"*

##### Audit finding

#### Percentage of cases registered and allocated within 72 hours of written notification

a) For the cases listed below, the complainant forms had no receipt date stamp and therefore we could not verify the number of hours taken to register and allocate the case.

CCN	Section	Date captured
2016040040	28.1 f - Torture or assault	3 April 2016
2016050584	28.1 f - Torture or assault	28 May 2016
2016070284	28.1 c - Discharge of an official firearm	15 July 2016
2016090176	28.1 c - Discharge of an official firearm	7 Sept 2016
2016110083	28.1 c - Discharge of an official firearm	3 Nov 2016
2016120221	28.1 f - Torture or assault	12 Dec 2016
2016120484	28.1 f - Torture or assault	26 Dec 2016

b) For the cases listed below, we could not obtain the complainant forms and therefore we could not verify the number of hours taken to register and allocate the case.

CCN	Section	Date captured
2016040091	28.1 c - Discharge of an official firearm	5 April 2016
2016040217	28.1 f - Torture or assault	10 April 2016
2016050385	28.1 f - Torture or assault	19 May 2016
2016050460	28.1 f - Torture or assault	23 May 2016
2016110075	28.1 f - Torture or assault	3 Nov 2016

## Impact

- This may result to overstatement of performance information reported relating to cases registered and allocated within 72 hours of written notification and criminal recommendation reports referred to the NPA
- Noncompliance to the Public Finance Management Act section (40)(3)(a)

## Internal control deficiency

The director or Provincial head did not ensure that all written complaints are stamped with a receipt date to ensure that all the cases that are registered and allocated within 72 hours can be substantiated by appropriate evidence.

## Recommendation

The director or provincial head should ensure that all written complaints are stamped with a receipt date to ensure that the cases are registered and allocated within 72 hours can be substantiated appropriately.

## Management's response

### Audit finding

#### Percentage of cases registered and allocated within 72 hours of written notification

a) For the cases listed below, the complainant forms had no receipt date stamp and therefore we could not verify the number of hours taken to register and allocate the case.

CCN	Section	Date captured
2016040040	28.1 f - Torture or assault	3 April 2016
2016050584	28.1 f - Torture or assault	28 May 2016
2016070284	28.1 c - Discharge of an official firearm	15 July 2016
2016090176	28.1 c - Discharge of an official firearm	7 Sept 2016
2016110083	28.1 c - Discharge of an official firearm	3 Nov 2016
2016120221	28.1 f - Torture or assault	12 Dec 2016
2016120484	28.1 f - Torture or assault	26 Dec 2016

**We are in agreement with the finding, internal control deficiency and recommendation for the following reasons:**

**The office had a misunderstanding and an incorrect interpretation of the date and time of registration. The office relied on the date of the telephonic reporting notification received from SAPS as per 8.6 of SOPS instead of the written notification as the date of registration. This resulted into understatement but was later clarified after engagement with national office and were referred to 6.2 (1) of the SOPS. We have thus since March 2017 received and stamped all written notifications received by IPID as per SOPS to ensure proper registered and allocated within 72 hours.**

**This has now been resolved and corrected all notifications are date stamped with time and further we have allocated and investigator as an internal control measure to receive all notification and is responsible to stamp and allocate for registration in terms of paragraph 6.2(1) of SOPS of 1 April 2015.**

b) For the cases listed below, we could not obtain the complainant forms and therefore we could not verify the number of hours taken to register and allocate the case.

CCN	Section	Date captured
2016040091	28.1 c - Discharge of an official firearm	5 April 2016
2016040217	28.1 f - Torture or assault	10 April 2016
2016050385	28.1 f - Torture or assault	19 May 2016
2016050460	28.1 f - Torture or assault	23 May 2016
2016110075	28.1 f - Torture or assault	3 Nov 2016

**We agree with this finding as this has been a result of an error on our part due to ineffective monitoring. We have now ensured that all files have notification forms and checked at CIC, Supervisors and Director of Investigations. Further the SOPS have been amended and flowcentric enhanced for the financial year 2017/18 to close all gaps in this respect.**

**Name: T Leholo**

**Position: Acting Provincial Head**

**Date: 25/04/2017**

#### **Auditor's conclusion**

Management comments noted, we cannot substantiate that the receipt and allocation of investigations were made within 72 hours without the stamped complainant form in place. Therefore these cases should not be reported as such in the Annual Performance Report. Nt Management should re-visit the entire population and make corrections.

## 11. Recommendations submitted to stakeholders however not recorded in the Master Register

### Requirement

In terms of Public Finance Management Act section (40) (3) (a) the annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must—

*“fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned”*

Furthermore In terms of the Framework for Managing Programme Performance Information Chapter 3.2(a) *“A good performance indicator should be reliable; the indicator should be accurate enough for its intended use and respond to changes in the level of performance.*

### Audit finding

For the indicator listed below, Recommendations were submitted and receipt was acknowledged by the National Prosecution Authority and the South African Police within 30 days, however not recorded on the recommendation master register.

#### c) Percentage of disciplinary recommendation reports referred to SAPS/MPS within 30 days of recommendation reports being signed off.

CNN	Section	Date signed by the provincial head	Date received by the SAPS
2015010348	Assault common	28-Nov-16	06-Dec-16
2016030453	Murder	25-Oct-16	07-Nov-16
2016120240	Assault common	19-Dec-16	22-Dec-16
2016120056	Corruption	27-Feb-17	07-Mar-17
2016090470	Assault common	19-Dec-16	22-Dec-16
2015120298	Assault common	24-May-16	21-Jun-16
2012040141	Assault common	26-Jul-16	16-Aug-16
2013020240	Assault common	29-Jun-16	20-Jul-16
2013030457	Assault common	24-May-16	21-Jun-16
2016030273	Assault common	30-Apr-16	17-May-16
2016040217	Assault common	24-May-16	21-Jun-16
2016050460	Assault common	25-Jul-16	16-Aug-16

#### d) Percentage of criminal recommendation reports referred to the NPA within 30 days of recommendation report being signed off

CNN	Section	Date signed by the provincial head	Date received by the NPA
2016070281	Assualt- common	20-Jul-16	27-Jul-16
2016030453	Murder	17-Feb-17	23-Feb-17
2016050316	Assault common	29-Nov-16	09-Dec-16
2015120298	Assault common	24-May-16	21-Jun-16
2012040141	Assault common	26-Jul-16	10-Aug-16
2016030226	Assault common	28-Sep-16	10-Oct-16
2016030273	Assault common	30-Apr-16	11-May-16

c) For the cases listed below, Recommendations were submitted and receipt was acknowledged by NPA after 30 days- ***as per the case files and not recorded on the master register as “more than 30 days”***.

CNN	Section	Date signed by the provincial head	Date received by the SAPS	Variance (days)
2016020532	Assault common	16-Aug-16	21-Sep-16	36
2015030389	Assault common	26-Apr-16	05-Jul-16	70
2016020548	Assault common	27-May-16	01-Sep-16	97
2016070203	Assault common	30-Oct-16	08-Mar-17	129

## Impact

- Performance information relating to the indicators may not be completely reported on the annual performance report.
- Non-compliance to the Public Finance Management Act section (40)(3)(a)

## Internal control deficiency

### *Financial and performance management*

- Director or Provincial head did not ensure that all the recommendations are submitted to the head office to ensure recording in the recommendation master register.
- The director or provincial head did not also ensure that all the recommendations to the SAPS and NPA are submitted within 30 days

## Recommendation

- Director or Provincial head should ensure that all the recommendations are submitted to the head office to be recorded in the master register to ensure completeness of reported information.
- The director or provincial head must ensure that all recommendations to the SAPS and NPA are submitted within 30 days.

## Audit finding

For the indicator listed below, Recommendations were submitted and receipt was acknowledged by the National Prosecution Authority and the South African Police within 30 days, however not recorded on the recommendation master register.

**a) Percentage of disciplinary recommendation reports referred to SAPS/MPS within 30 days of recommendation reports being signed off.**

CNN	Section	Date signed by the provincial head	Date received by the SAPS
2015010348	Assault common	28-Nov-16	06-Dec-16
2016030453	Murder	25-Oct-16	07-Nov-16
2016120240	Assault common	19-Dec-16	22-Dec-16
2016120056	Corruption	27-Feb-17	07-Mar-17
2016090470	Assault common	19-Dec-16	22-Dec-16
2015120298	Assault common	24-May-16	21-Jun-16

2012040141	Assault common	26-Jul-16	16-Aug-16
2013020240	Assault common	29-Jun-16	20-Jul-16
2013030457	Assault common	24-May-16	21-Jun-16
2016030273	Assault common	30-Apr-16	17-May-16
2016040217	Assault common	24-May-16	21-Jun-16
2016050460	Assault common	25-Jul-16	16-Aug-16

**b) Percentage of criminal recommendation reports referred to the NPA within 30 days of recommendation report being signed off**

CNN	Section	Date signed by the provincial head	Date received by the NPA
2016070281	Assault- common	20-Jul-16	27-Jul-16
2016030453	Murder	17-Feb-17	23-Feb-17
2016050316	Assault common	29-Nov-16	09-Dec-16
2015120298	Assault common	24-May-16	21-Jun-16
2012040141	Assault common	26-Jul-16	10-Aug-16
2016030226	Assault common	28-Sep-16	10-Oct-16
2016030273	Assault common	30-Apr-16	11-May-16

**c) For the cases listed below, Recommendations were submitted and receipt was acknowledged by NPA after 30 days- *as per the case files and not recorded on the master register as "more than 30 days"*.**

CNN	Section	Date signed by the provincial head	Date received by the SAPS	Variance (days)
2016020532	Assault common	16-Aug-16	21-Sep-16	36
2015030389	Assault common	26-Apr-16	05-Jul-16	70
2016020548	Assault common	27-May-16	01-Sep-16	97
2016070203	Assault common	30-Oct-16	08-Mar-17	129

**We are not in agreement with the finding in respect of ensuring the recommendations are recorded on the master register, notwithstanding that the province sent the recommendation as required by IPID. The province does not have control of the management and updating of the master register as it is a national competency but not a provincial one.**

**However notwithstanding the aforesaid and the AGSA comments on internal controls and recommendations, the provincial office has introduced manual registers that are to be signed by the Director of Investigations and all responsible officials handling provincial recommendations to ensure such recommendations are submitted within the required timeframes to DPP/SAPS and National office.**

**Name: T Leholo  
Position: Acting Provincial Head  
Date: 25/04/2017**

**Auditor's conclusion**

Management Comments noted, even though recommendations were forwarded to Head office, the master register was not updated in this regard, resulting to possible understatement of performance to be reported in the Annual Performance report. Head Office should have adequate controls in place to ensure that all recommendations made within 30 days are recorded in the Master register.



## 12. Cases re-registered with different case control numbers and reported as decision ready.

### Requirement

In terms of Public Finance Management Act section (40) (3) (a) *“The annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must:*

*“Fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned”*

Furthermore In terms of standard operating procedures (SOP) for IPID Par 3: Definitions, *“Decision Ready is defined as Investigations where an investigator has conducted quality investigations and obtained all necessary evidence to enable the NPS to make a decision whether to prosecute or not”*

**Further investigation section 35** *“refer to the DI to finalise as decision ready and/or closure. (If case completed/closed by DI-PH should still be informed as per regulation 4(3)(i) (Note that only criminal recommendations that are submitted will result in case status changing from “Active” to “Decision Ready”*

### General results where no recommendation is made:

- *Unfounded*
- *Indeterminate*
- *Unsubstantiated*
- *Closed as referred*
- *Closed as a duplicate*
- *Closed as systemic corruption*

### Audit finding

For the indicators listed below, cases registered and closed in prior financial years as special closure, were re-registered in the current financial year with different Case Control Numbers (CCN) and incorrectly reported as decision ready as no additional investigations were performed and no recommendations were issued.

### Percentage investigations of discharge of an official firearm by a police officer that are decision ready

New CCN	Old CCN	Section	Date Closed	Type of Closure
2016060431	2012060220	28.1 c - Discharge of an official firearm	28-Jun-16	Unsubstantiated

### Root Cause

- The flow centric system is not setup in such a way that it would allow a case to be re-opened using the original CCN in the system when required to avoid duplicate cases in the system.

- The system does not allow the users to close cases without going through the process of decision ready processes (criminal recommendations) resulting in cases that are not decision ready being reported as such.
- Furthermore the system is not properly aligned with the Investigations' standard operating procedure (SOP) to ensure consistent reporting.

## **Impact**

This will result in the following:

- Overstatements of the current year intake as the cases were not received in the current financial year.
- Overstatement of the cases received and allocated within 72 hours as the cases do not relate to current financial year intake.
- Overstatement of decision ready cases reported as no additional investigation was performed and recommendations issued in the current financial year.

## **Internal control deficiency**

### **Performance and Financial Management:**

Management did not ensure that the flow centric system is configured in such a way that it is properly aligned with the Investigations' standard operating procedures and to allow cases that are not decision ready to be closed as such. This will ensure that decision ready cases are not overstated on the annual performance report.

### **Recommendation**

Management should ensure that the flow centric system is configured and aligned with the Investigations' standard operating procedure (SOP) to ensure consistent application of the requirements of the SOP and consistent performance reporting.

## **Management's response**

**We are in agreement with the findings, internal control deficiency and recommendations as stated by AGSA.**

**We confirm that flowcentric has now been amended according to the new SOPS and cured the above deficiency.**

**Name: T Leholo**

**Position: Acting Provincial Head**

**Date: 25 April 2017**

## **Auditor's conclusion**

Management comments noted, where investigations were not performed on the re-opened special closure cases, these cases cannot be regarded and reported as decision ready taking into consideration the definitions in the Standard Operating Procedures and the Technical Indicator Descriptions. Therefore Management should revisit the entire population

of decision ready cases and ensure corrections as this may result to overstatement of performance in the Annual Performance Report.

### 13. Documents not included in the Case Files

#### Requirement

In terms of Section 15(1)(a) of the Public Audit Act " *when performing an audit, an authorised auditor has at all reasonable times full and unrestricted access to any document, book or written or electronic record or information of the auditee or which reflects or may elucidate the business, financial results, financial position or performance of the auditee*".

Furthermore In terms of standard operating procedures (SOP) for IPID that was effective from 1<sup>st</sup> April 2015 par 6.10 Procedure for completion and closing of files and dockets:

*Obtaining the status of "Decision ready" for cases*

- *The investigator initiate completion of a file through the supervisor after completing a case investigation report;*
  - *The supervisor reviews and quality assures directives and reports and recommend decision ready to Director Investigations;*
  - *The DI approve/disapprove;*
  - *No investigator acting as DI will approve the completion of a file investigated by himself/herself;*
  - *"A complainants form, or written complaint, must be completed in every event that IPID is to investigate a case (Form 1 or 2 as per IPID Regulations); all written complaints must be stamped with a receipt date. In the event that the written complaint is received outside normal working hours, the first available working day date will be regarded as the date of receipt"*
- *Par 6.3 (29) Procedure for investigating a case in terms of S28 (1) (a) or (b) states that:*

*"Document and file detailed notes on the observations made during the Post Mortem and complete the IPID form 6"*

#### Audit finding

##### (a) Percentage of investigations of deaths in police custody that are decision ready

No evidence could be obtained that the post-mortem report was completed in relation to the case indicated below:

CCN	Section	Date of completion
2016100107	28.1 a – Death in police custody	19 July 2016

#### Impact

- Non -compliance with Section 15(1)(a) of the Public Audit Act
- Case investigations reported as decision ready may not meet the requirements as per the SOP's to be reported as decision ready, due to all the necessary evidence not obtained. This may result to overstatement of the reported information in the Annual Performance Report.

## Internal control deficiency

### Financial and performance management

The Director or Provincial head did not ensure that the case files included all the required documentations, in order for the cases to be decision ready as per the requirements of the SOP.

## Recommendation

The Director or Provincial head should ensure that the case files include all the required documentation in order for the cases to be decision ready as per the requirements of the SOP.

## Management's response

We are in agreement with the finding, internal control deficiency and recommendation for the following reasons: This has been an error on our part, at the time of the preliminary investigation and during the attendance of post mortem by the investigator, it was established that the cause of the deceased death was not as a result of police involvement. He sustained the injuries before he was detained. IPID did therefore not take over the investigation and the investigation was continued by the SAPS. The PM report was nevertheless obtained at a later stage and filed in the file "A Clip" attached herein.

**Name: T Leholo**

**Position: Acting Provincial Head**

**Date: 25/04/2017**

## Auditor's conclusion

Management Comments noted, the post mortem report was subsequently submitted and audited, therefore finding will not be included in the Management Report.

## Assets

### 14. Assets not physically verified

#### Requirement

In terms of PFMA section 38. General responsibilities of accounting officers.—(1) *"The accounting officer for a department, trading entity or constitutional institution— (d) is responsible for the management, including the safeguarding and the maintenance of the assets, and for the management of the liabilities, of the department, trading entity or constitutional institution"*

## Audit finding

The following asset was selected from the asset register, however could not be physically verified.

No	Bar code	Asset description	Location
1	5620	Notebook Laptop Dell	Admin Store

## Impact

- Asset not verified for existence recorded on the asset register may result to the notes in the Annual Financial statement being overstated.

## Internal control deficiency

## Financial & Performance Management

Management has not put in place adequate controls in ensuring that the main asset register submitted for the audit is timeously updated after quarterly provincial asset verifications performed.

## Recommendation

- Management should revisit the entire population and ensure that assets that are not physically verified are investigated and subsequently (where necessary) removed from the register to ensure the accuracy of the Asset Register that supports the notes in the Annual Financial Statement.

## Management's response

**I am in agreement with the finding, internal control deficiency and recommendation for the following reasons:**

**The asset is currently in KZN and with serial number B5YD6R1 and barcode number 05494. Request to remove the asset with barcode 05620 from the asset register has been prepared for CFO's approval. As soon as the approval is granted the Asset Management will remove the from asset register.**

**The copy of memorandum is herewith attached for easy reference**

**Name: M Diale**

**Position: Assistant Director: Asset Management**

**Date: 10 May 2017**

## Auditor's conclusion

Management comments noted, the asset has being recorded in the register twice (with barcode 05494 and 05620). Management should therefore remove asset number 05620 from the register as this will result to a misstatement in the notes of the Annual Financial Statement.

## Eastern Cape Province

### Audit of Performance Management

#### 15. No receipt date stamped on the complainant forms.

##### Requirement

PFMA section 38(1) (a) (i), states that, "The accounting officer for a department, trading entity or constitutional institution must ensure that department, trading entity or constitutional institution has and maintains, effective, efficient and transparent systems of financial and risk management and internal control

Furthermore "In terms of standard operating procedures (SOP) for IPID that was effective from 1<sup>st</sup> April 2015 par 6.2 (1) Procedure for registering the case:

"A complainants form, or written complaint, must be completed in every event that IPID is to investigate a case (Form 1 or 2 as per IPID Regulations); all written complaints must be stamped with a receipt date. In the event that the written complaint is received outside normal working hours, the first available working day date will be regarded as the date of receipt"

In terms of the Standard Operating Procedure (SOP) Par 6.3(36) "Upon approval of recommendations by the Director Investigations, recommendations must be forwarded to the relevant stakeholder within 30 days"

##### Audit finding

##### Percentage of cases registered and allocated within 72 hours of written notification

(a) For the cases listed below, the complainant forms had no receipt date stamp and therefore we could not verify the number of hours taken to register and allocate the case.

CNN	Section	Date captured
2016070296	28.1 c - Discharge of an official firearm	7/18/2016
2016100916	28.1 c - Discharge of an official firearm	10/28/2016
2016070307	28.1 c - Discharge of an official firearm	07/18/2016
2016090504	28.1 c - Discharge of an official firearm	09/21/2016
2016090232	28.1 f - Torture or assault	09/08/2016
2016120213	28.1 g - Corruption matters within the police	12/11/2016
2016070352	28.1 a – Death in police custody	07/20/2016
2016050640	28.1 c - Discharge of an official firearm	05/31/2016
2016070505	28.1 f - Torture or assault	07/26/2016
2016110015	28.1 f - Torture or assault	11/01/2016
2016060010	28.1 f - Torture or assault	06/01/2016
2016070296	28.1 f - Torture or assault	10/03/2016

##### Impact

- This may result to overstatement of performance information reported relating to cases registered and allocated within 72 hours of written notification.
- Noncompliance to the Public Finance Management Act section (40)(3)(a).

**Internal control deficiency**

The director or Provincial head did not ensure that all written complaints are stamped with a receipt date to ensure that all the cases that are registered and allocated within 72 hours can be substantiated by appropriate evidence.

**Recommendation**

The director or provincial head should ensure that all written complaints are stamped with a receipt date to ensure that the cases are registered and allocated within 72 hours can be substantiated appropriately.

**Management's response**

I am in agreement with this finding that there was no date stamp on the complaints forms. The office, however, has systems in place to ensure receipt, registration and allocation of cases within 72 hours in the form of manual Complaints Register, Manual Case Intake Register which when complaints are received are registered and signed with the date and time of receipt. The office was relying on the manual complaints register which recorded the date when the complaint is received and handed to the Deputy Director: Investigations (CIC) for registration and allocation copies are attached herewith as proof.

Name: Ms B Tukela

Position: Provincial Head

Date: 10 April 2017

**Auditor's conclusion**

Management comment noted, it should be noted that in terms of the SOP, it is required for the stamp as acknowledgement of receipt on the complainant form. This is considered as an appropriate control instead of the register, due to the fact that the register can be amended. Management should therefore ensure the stamping of the complainants form.



## 16. Recommendations submitted to stakeholders however not recorded in the Master Register

### Requirement

In terms of Public Finance Management Act section (40) (3) (a) the annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must—

*“fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned”*

Furthermore In terms of the Framework for Managing Programme Performance Information Chapter 3.2(a) *“A good performance indicator should be reliable; the indicator should be accurate enough for its intended use and respond to changes in the level of performance”*.

### Audit finding

For the indicator listed below, Recommendations were submitted and receipt acknowledged by the National Prosecution Authority and the South African Police within 30 days, however not recorded on the recommendation master register.

#### (a) Percentage of criminal recommendation reports referred to the NPA within 30 days of recommendation report being signed off

CNN	Section	Date signed by the provincial head	Date received by the NPA
2016080534	Assault- GBH	22-Sep-16	06-Oct-16
2016050435	Assault- common	29-May-16	11-Aug-16
2016050269	Assault – common	13-Sep-16	22-Nov-16
2016060056	Assault- GBH	21-Jun-16	08-Aug-16
2016060013	Assault- GBH	23-Sep-16	03-Nov-16
2016050414	Assault- GBH	13-Sep-16	21-Sep-16

With regards to the category listed under (a), we disagree with the finding and we have proof that they were sent to National Office Programme 4. CCN2016060056, even though we could not find the e-mail this case is included in category (c) which is a proof that it was also sent and was even recorded in the Master List.

#### (b) Percentage of disciplinary recommendation reports referred to SAPS/MPS within 30 days of recommendation reports being signed off.

CNN	Section	Date signed by the provincial head	Date received by the SAPS
2016060486	Assault- common	15-Aug-16	19-Aug-16
2016100959	Assault- common	14-Nov-16	21-Nov-16
2016060007	Assault- common	30-Aug-16	15-Sep-16
2016100645	Assault- common	30-Oct-16	02-Nov-16

With regards to the category listed under (b), all the cases listed above the Eastern Cape Office has proof that they were sent to Programme 4 at National Office. Print out of e-mail sending the reports is attached as Annexure

**(c) Percentage of criminal recommendation reports referred to the NPA within 30 days of recommendation report being signed off**

For the cases listed below, Recommendations were submitted and receipt acknowledged by the National Prosecution Authority after 30 days- as per the case files and should not be included in the master register as within 30 days, however outside 30 days.

CNN	Section	Date signed by the provincial head	Date received by the NPA	Variance (days)
2016050453	Assault- common	16- July -16	25- Aug -16	40
2016050435	Assault- common	29-May-16	11-Aug-16	74
2016050269	Assault -common	13-Sep-16	22-Nov-16	70
2016060056	Assault- GBH	21-Jun-16	08-Aug-16	48
2016060013	Assault- GBH	23-Sep-16	03-Nov-16	41

**With regards to this category the custodian of the Master Register is National Office Programme 4, we, however, agree that they exceeded 30 days within which they should be sent to NPA.**

- Performance information relating to the indicators may be misstated in the annual performance report.
- Non-compliance to the Public Finance Management Act section (40)(3)(a)

**Internal control deficiency**

***Financial and performance management***

- Director or Provincial head did not ensure that all the recommendations are submitted to the head office to ensure recording in the recommendation master register.
- The director or provincial head did not put adequate controls in place in ensuring that recommendations to the NPA not submitted within 30 days are not recorded in the master register.

**Recommendation**

- Director or Provincial head should ensure that all the recommendations are submitted to the head office to be recorded in the master register to ensure completeness of reported information.
- The director or provincial head must ensure that all recommendations to the NPA are submitted within 30 days.

**Management's response**

I am [not] in agreement with the finding, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

Management response has been given per categories (a) to (c) above.

Name: Ms B Tukela  
Position: Provincial Head

Date: 10 April 2017

## **Auditor's conclusion**

Management Comments noted, even though recommendations were forwarded to Head office, the master register was not updated in this regard, resulting to possible understatement of performance. Management should include all recommendations made within 30 days in the Master register. Recommendations that are not within 30 days cannot be regarded as performance, however should be taken into consideration when performing calculations of the percentages for the achievement of the target.

## **17. Documents not included in the case investigation files**

### **Requirement**

In terms of Section 15(1)(a) of the Public Audit Act " *when performing an audit, an authorised auditor has at all reasonable times full and unrestricted access to any document, book or written or electronic record or information of the auditee or which reflects or may elucidate the business, financial results, financial position or performance of the auditee*".

Furthermore In terms of standard operating procedures (SOP) for IPID that was effective from 1<sup>st</sup> April 2015 par 6.10 Procedure for completion and closing of files and dockets:

*Obtaining the status of "Decision ready" for cases*

- *The investigator initiate completion of a file through the supervisor after completing a case investigation report;*
  - *The supervisor reviews and quality assures directives and reports and recommend decision ready to Director Investigations;*
  - *The DI approve/disapprove;*
  - *No investigator acting as DI will approve the completion of a file investigated by himself/herself;*
  - *"A complainants form, or written complaint, must be completed in every event that IPID is to investigate a case (Form 1 or 2 as per IPID Regulations); all written complaints must be stamped with a receipt date. In the event that the written complaint is received outside normal working hours, the first available working day date will be regarded as the date of receipt"*
- *Par 6.4 (5) Procedure for investigating a case in terms of S28 (1) (c) states that:*  
*"The Investigator must obtain the relevant permit allowing the SAPS/MPS member to handle and use the firearm in question as well as a report relating to when last the said member was practically evaluated/tested for the handle and use of the said firearm;"*

### **Audit finding**

#### **(b) Percentage of cases registered and allocated within 72 hours of written notification**

(i) For the cases listed below, we could not obtain the form one (complainant form from SAPS) in the file of the investigations cases, to confirm that the case was received and allocated within 72 hours.

CNN	Section	Date allocated	Date IPID received case as per file
2016070296	28.1 c - Discharge of an official firearm	18 July 2016	Form 1 not on case file.
2016070352	28.1 a – Death in police custody	20 July 2016	Form 1 not on case file.

We agree with this finding in this category, in CCN2016070296, we used the crime scene report form which also contains all the information which appears in Form 1.

CCN2016070352 is a case from a smaller Police Station (Kei Mouth) which rely in bigger police stations for resources like fax in order to fax the form 1, the office used the docket which has all the information which must be contained in Form 1 to capture the complaint.

(ii) For the case listed below, we could not determine when was the case allocated and by which official in the investigations file, to confirm that the case was received and allocated within 72 hours as per the records on the system.

CNN	Section	Date allocated	Allocated by
2016120213	28.1 g - Corruption matters within the police	13 Dec 2016	Clip C for allocation was not completed

We agree that receipt, registration and allocation was after 72 hours. During the interim report and engagement with the AG, the office showed a printout which was omitted to be signed and filed on Clip C by Mr Ndlovu, the CIC member.

For the indicator listed below we could not obtain the firearm permit.

**(c) Percentage of investigations of discharge of an official firearm by a police officer that are decision ready**

CCN	Section	Date of completion	Negative/ Positive
2016040413	28.1 c Discharge of firearm	29-May-16	Positive

We agree with this finding, it was an oversight that the firearm permit was not filed.

**Impact**

- Non -compliance with Section 15(1)(a) of the Public Audit Act
- Case investigations reported as decision ready may not meet the requirements as per the SOP's to be reported as decision ready, due to all the necessary evidence not obtained. This may result to overstatement of the reported information in the Annual Performance Report.

**Internal control deficiency****Financial and performance management**

The Director or Provincial head did not ensure that the case files included all the required documentations, in order for the cases to be decision ready as per the requirements of the SOP.

**Recommendation**

The Director or Provincial head should ensure that the case files include all the required documentation in order for the cases to be decision ready as per the requirements of the SOP.

**Management's response**

I am in agreement with this finding; the responses have been given per categories above.

Name: Ms B Tukela  
Position: Provincial Head  
Date: 10 April 2017

**Auditor's conclusion**

Management comments noted, (i) for the following cases 2016070296 and 2016070352, we cannot substantiate that the receipt and allocation of investigations without the complainant form. Therefore these cases should not be reported as such.

(ii) As per management comment, the investigation case should not be reported under the indicator considering that the case was registered and allocated not within 72 hours.

b) For all the case investigations relating to discharge of firearm, management should ensure that a permit is obtained as this may affect the credibility of the outcome of the investigations.

## 18. Duplicate cases reported in the flow centric system.

### Requirement

In terms of Public Finance Management Act section (40)(3)(a) The annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must—

*“fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned”*

Furthermore In terms of standard operating procedures (SOP) for IPID that was effective from 1<sup>st</sup> April 2015 par 6.2 (1) Procedure for registering the case:

*“A complainants form, or written complaint, must be completed in every event that IPID is to investigate a case (Form 1 or 2 as per IPID Regulations); all written complaints must be stamped with a receipt date. In the event that the written complaint is received outside normal working hours, the first available working day date will be regarded as the date of receipt”*

*If the case falls within the mandate of the IPID the Investigator must record the case as a section 28(a)-(g) in the Case Management System(CMS). After registering the case the Investigator must print the IPID registration form and ensure that the complainant/Visctim/referral authority append his or her signature (where Applicable) , then upload the IPID Registration Form, Letter, Fax or Email on to the CMS;*

*Open a file and file the IPID Registration form, QCF Form as well as the copy of the acknowledgement letter/SMS and refer the file to the Case Intake Committee(CIC) Immediately, and the Allocation is done by the CIC; the CIC and must also update the allocation details on the CMS.”*

### Audit finding

For the indicator listed below, case investigations have been duplicated in the flow centric system (same evidence on files, however different case numbers allocated by the system) and have been closed as duplicate on the case investigations files, however they have been included as decision ready on the flow-centric system.

#### (a) Percentage of investigation of Assault that are decision ready

CCN closed as duplicates	Section	Date closed	Valid decision ready CCN
2016090081	28.1 f - Torture or assault	27-Oct-16	2016090259

#### (b) Percentage investigations of other criminal and misconduct matters referred to in section 28(1)(h) and 35 (1)(b) of the IPID Act that are decision ready

CCN closed as duplicates	Section	Date Closed	Valid decision ready CCN
2016060060	28.1 h - Any other referred matter	09-Jul-16	2016050368
2016060065	28.1 h - Any other referred matter	09-Jul-16	2016050560

**(d) Percentage of investigations of discharge of official firearm by a police officer that are decision ready.**

CCN closed as duplicates	Section	Date completed	Valid decision ready CCN
2016050454	28.1 c - Discharge of an official firearm	28-Jul-16	2016050472
2016050225	28.1 c - Discharge of an official firearm	25-Jun-16	2016050441

**(e) Percentage of investigations of rape by a police officer that are decision ready**

CCN closed as duplicates	Section	Date completed	Valid decision ready CCN
2016070574	28.1 d - Rape by a police officer	13-Sep-16	2016070587
2016090558	28.1 d - Rape by a police officer	28-Oct-16	2016090286

**Root Cause**

- The system does not have applications controls in place, to identify duplicate information that's already registered such as: same complainant name, Identity number etc. to notify the case worker that information has already being captured and follow up's should be made prior to registration of the new case.
- In cases where a duplicate case was identified within one month, a call can be logged with flow-centric controller to delete a duplicate case.
- However if a call is not logged, the system does not allow the case to be closed, where no recommendation have being made to SAP's/NPA without first going through the decision ready process, resulting in the cases that are not decision ready incorrectly classified.

**Impact**

- This may result to performance information reported relating to the indicator being overstated
- Noncompliance to the Public Finance Management Act section (40)(3)(a)

**Internal control deficiency**

Financial and performance management

The Director or Provincial Head did not put in place adequate controls for correction of errors in the flow centric system as they were able to identify the duplicated investigation case file however no correction were made in the system.

**Recommendation**

The Provincial Head should ensure adequate controls are in place in the correction of all identified errors made in the flow centric system in order to avoid misstatements in the performance reporting.

## **Management's response**

I am [not] in agreement with the finding, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

I am in agreement with this finding, the system, does not allow for a Special Closure, for one to complete the case it has to go through the process of decision ready, however, it was indicated on the reports that the files were either duplicates.

Name: Ms B Tukela

Position: Provincial Head

Date: 10 April 2017

## **Auditor's conclusion**

Management comments noted, where investigations were not performed, such duplicate cases cannot be regarded and reported as decision ready taking into consideration the definitions in the Standard Operating Procedures and the Technical Indicator Descriptions. Therefore Management should revisit the entire population of decision ready cases and ensure corrections.

### **19. The cases were referred to be investigated by SAPS however reported as decision ready**

#### **Requirement**

In terms of Public Finance Management Act section (40)(3)(a) The annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must—

*“Fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned”*

Furthermore in terms of standard operating procedures (SOP) for IPID that was effective from 1<sup>st</sup> April 2015 par 6.10 Procedure for completion and closing of files and dockets:

#### ***Obtaining the status of "Decision ready" for cases***

- *The investigator initiate completion of a file through the supervisor after completing a case investigation report;*
- *The supervisor reviews and quality assures directives and reports and recommend decision ready to DI;*
- *The DI approve/disapprove;*

And par 3 states that: *“Definitions, Decision Ready is defined as “Investigations where an investigator has conducted quality investigations and obtained all necessary evidence to enable the NPS to make a decision whether to prosecute or not;”*

## **Audit Finding**



For the indicator listed below, the investigations for the case files were referred to be finalised by SAPS as not falling within the mandate of the IPID, however they were reported as decision ready in the performance report.

#### **Percentage investigations of corruption that are decision ready**

CCN	Section (Incident Type)	Date Completed
2016090344	28.1 g - Corruption matters within the police	30-Oct-16
2016100653	28.1 g - Corruption matters within the police	02-Dec-16

#### **Percentage of all backlog decision ready cases finalised (excluding cases of systemic corruption)**

CCN	Section (Incident Type)	Date Completed
2016030221	28.1.f - Any Complaint of Assault or Torture	16-Jul-16

#### **Root cause**

- The system does not allow the case to be closed, where no recommendation have being made to SAP's/NPA without first going through the decision ready process, resulting in the cases that are not decision ready incorrectly classified.

#### **Impact**

- This may result in the case investigation cases not correctly classified as decision ready and overstating performance information to be reported on.
- Noncompliance to the Public Finance Management Act section (40)(3)(a)

#### **Internal Control Deficiency**

##### **Financial and performance management:**

Management did not ensure that the Flow-centric system was configured in such a way that cases that were not fully investigated and referred can be closed without going through the process of decision ready.

##### **Recommendation**

The Flow-centric system should be configured to allow the users to close the cases that were not fully investigated and referred, to be closed without following the process of decision ready; however the closure must be reviewed and approved by the senior officials.

##### **Management's response**

I am in agreement with this finding, the system, does not allow for a Special Closure, for one to complete the case it has to go through the process of decision ready, however, it was indicated on the report that the files were "referred".

Name: Ms B Tukela  
Position: Provincial Head  
Date: 10 April 2017

## Auditor's conclusion

Management comments noted, where investigations were not performed, such cases cannot be regarded and reported as decision ready taking into consideration the definitions in the Standard Operating Procedures and the Technical Indicator Descriptions. Therefore Management should revisit the entire population of decision ready cases and ensure corrections.

## 20. Misclassification of investigation cases reported between different indicators

### Requirement

In terms of Public Finance Management Act section (40)(3)(a) The annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must—

*“fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned”*

Furthermore in terms of the Framework for Managing Programme Performance Information Chapter 3.2(a) *“A good performance indicator should be reliable, the indicator should be accurate enough for its intended use and respond to changes in the level of performance.*

In terms of S28 (1) (c) of the SOP *“The Directorate must investigate any complaint relating to the discharge of an official firearm by any police officer”*

### Audit finding

The indicator listed below has been incorrectly classified as Section 28.1(c) instead of Section 28.1(f).

### Section 28.1(f) Percentage of investigation of Assault that are decision ready

CCN	Date completed	Incorrect Classification	Correct Classification
2016070086	12-Sep-16	28.1(c) Discharge of firearm	28.1 (f) - Torture or assault

### Root Cause

- Classification changes within the system can only be made at the allocation stage, during investigations where additional information obtained may result in a different classification, the system does not allow such changes.

### Impact

- This may result to overstatement of S28 (1) (h) cases and understatement of S28 (1) (c) cases of the performance information reported annually relating to the indicators.
- Noncompliance to the Public Finance Management Act section (40)(3)(a)

### Internal control deficiency

Financial and performance management: The Provincial Head (PH) or Director Investigation (DI) did not properly review the circumstances of the case against the mandate of the IPID to ensure that it was correctly classified prior to signing off the case as decision ready.

### Recommendation

The PH/DI must ensure that all cases investigated are properly evaluated against S 28(1) of the IPID act, to ensure correct classification and reporting of investigations.

### **Management's response**

I am [not] in agreement with the finding, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

I am not in agreement with this finding, the allegation was for both Section 28(1)(c) and (f), however, the system only allows for the registration of one Class, Section 28(1)(c) was registered as that was a more serious allegation "Attempted Murder" but the allegations of assault were substantiated as per investigation outcome/findings. Copy of the registration form with allegations is attached.

Name: Ms B Tukela

Position: Provincial Head

Date: 10 April 2017

### **Auditor's conclusion**

Management comments noted, the supporting evidence inspected on the case files related to 28.1 (f) - Torture or assault, therefore the investigation should be reported as such. Management should revisit the entire population and ensure corrections of classification to ensure the accuracy of the performance information to be reported in the Annual Performance Report.

## **21. Notifications of discharge of fire arm from SAPS have being incorrectly classified as decision ready cases.**

### **Requirement**

In terms of Public Finance Management Act section (40)(3)(a) The annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must—

*"fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned"*

Furthermore in terms of the Framework for Managing Programme Performance Information Chapter 3.2(a) *"A good performance indicator should be reliable, the indicator should be accurate enough for its intended use and respond to changes in the level of performance."*

In terms of S28 (1) (c) of the SOP *"The Directorate must investigate any complaint relating to the discharge of an official firearm by any police officer"*

IPID Act Chapter 7, section 29. (l) *"The Station Commander, or any member of the South African Police Service or Municipal Police Service must-*  
*( a) immediately after becoming aware, notify the Directorate of any matters referred to in section 28(l)(a) to (f);"*

And section 3 states that: *"Definitions, Decision Ready is defined as "Investigations where an investigator has conducted quality investigations and obtained all necessary evidence to enable the NPS to make a decision whether to prosecute or not;"*

### **Audit finding**

For the indicator listed below, SAPS notified IPID for the discharge of firearm during protests, where rubber bullets were fired to disperse the crowd. No complaints were received

in this regard resulting in full investigations not being performed by IPID. However these notifications (as per the requirement of section 29 of the IPD Act) have being recorded as decision ready cases.

### **Percentage of investigations of discharge of an official firearm by a police officer that are decision ready**

<b>CCN</b>	<b>Section</b>	<b>Date of completion</b>	<b>Negative/ Positive</b>
2016120032	28.1 c Discharge of firearm	09-Dec-16	Positive
2016070150	28.1 c Discharge of firearm	24-Jul-16	Positive
2016090328	28.1 c Discharge of firearm	27-Oct-16	Positive
2016050272	28.1 c Discharge of firearm	28-May-16	Positive
2016050433	28.1 c Discharge of firearm	28-May-16	Positive
2016040349	28.1 c Discharge of firearm	22-Apr-16	Positive

### **Impact**

- This may result to overstatement of S28 (1) (c) of performance information in the quarterly & annual reports.
- Noncompliance to the Public Finance Management Act section (40)(3)(a)

### **Internal control deficiency**

Financial and performance management: The Provincial Head (PH) or Director Investigation (DI) did not properly review the circumstances of the case against the Standard Operating Procedures of the IPID to ensure that notifications received are not signed off as decision ready.

### **Recommendation**

The PH/DI must ensure that all cases investigated are properly evaluated against S 28(1) of the IPID act, to ensure correct classification and reporting of investigations.

### **Management's response**

I am [not] in agreement with the finding, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

Notifications were reported by SAPS and preliminary investigation was conducted, however, the system does not allow for a "Special Closure" where a full investigation is not undertaken. Preliminary report, however, indicated that the complaint/notification does not warrant full investigation.

Name: Ms B Tukela  
Position: Provincial Head  
Date: 10 April 2017

### **Auditor's conclusion**

Management comment noted, in terms of the Standard operating procedures (see definition of decision ready under "requirements") and the Technical Indicator Descriptions defines the indicator as "the percentage of investigations where an investigator has conducted quality investigations on discharge of an official firearm by police officer and obtained all necessary evidence to enable the NPA, MPS and SAPS to make a decision whether to prosecute or not".

In the instances above, no full investigation was carried out and no evidence relating to discharge of fire arm was obtained, furthermore no recommendations were made to the external stakeholders. Therefore these notifications should not be reported as decision ready. Management should revisit the entire population and ensure correction.

## Assets

### 22. Assets could not be traced back to asset register

#### Requirement

In terms of PFMA section 40 *“Accounting officers’ reporting responsibilities.—(1) The accounting officer for a department, trading entity or constitutional institution—(a) must keep full and proper records of the financial affairs of the department, trading entity or constitutional institution in accordance with any prescribed norms and standards”*

Furthermore Paragraph 10.3 further state that, *“To ensure the completeness and the correctness of the assets on the assets register all assets must be physically verified at least quarterly basis under the authority of the Cost Center Manager”*

#### Audit finding

The following assets were selected from the floor, however could not be traced back to the asset register provided.

No	Bar code	Serial No.	Asset description	Location of asset
1	8084	N/A	Table	Nguta
2	8735	N/A	Microwave	Kitchen
3	4350	N/A	Safe	Siyazama
4	4374	N/A	Sorage shelf	Siyazama
5	DP44CMGP	TNCD4020600649	Vehichle	Parking
6	6535	N/A	Chair	Boardroom
7	4306	N/A	Fridge	Kitchen
8	FCZ0810207Y	N/A	Switch, Computer,3com Super stack	Server Room

#### Impact

- Assets not completely recorded on the asset register may result to misstatements to the notes in the Annual Financial statement.

#### Internal control deficiency

#### Financial & Performance Management

Management has not put in place adequate controls in ensuring that the main asset register submitted for the audit is timeously updated after quarterly provincial asset verifications performed.

## **Recommendation**

Management should ensure that the main asset register submitted for the audit is continuously reconciled with the provincial asset register & quarterly verifications performed to ensure the complete recording of assets.

## **Management's response**

I am [not] in agreement with the finding, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

I am not in agreement with findings number 1-7 on the list. Those assets appear in the Asset Register and the Auditor was shown the list, however, the finding was that it was not the same as the asset register provided by National Office. The register we use is printed from Logis and had all the items which were on the floor except item number 8.

I am in agreement with finding with regards to item number 8 on the list. The item is new and it was replacing the switch 3 Com Switch computer (one item replaced two items).

See attachment as proof of our response.

Name: Ms B Tukela  
Position: Provincial Head  
Date: 10 April 2017

## **Auditor's conclusion**

Management comment noted, the assets were subsequently traced to the asset register therefore will not be included in the Management Report except for following asset Switch, Computer, 3com Super stack FCZ0810207Y which was not recorded. Management should re-visit the entire population and ensure recording of all the assets.

## **Free State Province**

## **Audit of Performance Management**

**23. The Case Investigation Report was not signed off by the appropriately delegated official.**

## **Requirement**

In terms of Public Finance Management Act section (40)(3)(a) The annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must—

*“fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned”*

Furthermore in terms of standard operating procedures (SOP) for IPID that was effective from 1<sup>st</sup> April 2015 par 6.10 Procedure for completion and closing of files and dockets:

***Obtaining the status of "Decision ready" for cases***

- 1. The investigator initiate completion of a file through the supervisor after completing a case investigation report;*
- 2. The supervisor reviews and quality assures directives and reports and recommend decision ready to DI;*
- 3. The DI approve/disapprove;*

**Audit Finding**

For the indicator listed below, the case investigation was signed off as decision ready by the Deputy Director: Investigations instead of a Provincial Head /Director as required by the SOP with no acting letter in place.

**Percentage investigations of corruption that are decision ready**

CCN	Section (Incident Type)	Case Signed Off By:	Date Signed Off
2016050012	28.1 g - Corruption matters within the police	Ms Boniwe Sotyu (DD: Investigations)	08-Aug-16

**Impact**

- This may result in the case investigation not correctly classified as decision ready and an overstatement of performance information reported under indicator of corruption matters within the police.
- Noncompliance to the Public Finance Management Act section (40)(3)(a)

**Financial and performance management:**

Access to sign off case investigations as decision ready on flow centric system should be adequately designed in ensuring that only delegated officials sign off cases as decision ready.

**Recommendation**

Access to sign off cases as decision ready on flow centric system must be limited to the Director Investigations or the Provincial Head and in cases of acting officials, acting approval should be obtained

**Management's response**

**I am not in agreement with the finding**, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

**CCN 2016050012: This matter was handled and completed by the Director Investigation Mr GT Mmusi on 08/08/2016, and not Ms Boniwe Sotyu. See attached copies of reports, QCF and Case file cover sheet Annexure A**

Name: GT Mmusi  
Position: Director Investigation  
Date: 2017/03/23

#### **Auditor's conclusion**

Management comments noted, additional supporting documents were provided were the case was completed by the Director (Mr GT Mmusi), therefore finding will not be included in the Management Report.

### **24. Misclassification of investigation cases reported between different indicators**

#### **Requirement**

In terms of Public Finance Management Act section (40)(3)(a) The annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must—

*“fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned”*

Furthermore in terms of the Framework for Managing Programme Performance Information Chapter 3.2(a) *“A good performance indicator should be reliable, the indicator should be accurate enough for its intended use and respond to changes in the level of performance.*

In terms of S28 (1) (c) of the SOP *“The Directorate must investigate any complaint relating to the discharge of an official firearm by any police officer”*

#### **Audit finding**

The indicator listed below has been incorrectly classified as Section 28.1(h) instead of Section 28.1(c).

#### **Percentage of investigations of discharge of an official firearm by a police officer that are decision ready**

CCN	Date completed	Incorrect Classification	Correct Classification
2016060072	29-Jul-16	28.1 h - Any other referred matter	28.1 c - Discharge of an official firearm
2016080368	30-Nov-16	28.1 h - Any other referred matter	28.1 c - Discharge of an official firearm

#### **Impact**

- This may result to overstatement of S28 (1) (h) cases and understatement of S28 (1) (c) cases of the performance information reported annually relating to the indicators.



- Noncompliance to the Public Finance Management Act section (40)(3)(a)

### **Internal control deficiency**

Financial and performance management: The Provincial Head (PH) or Director Investigation (DI) did not properly review the circumstances of the case against the mandate of the IPID to ensure that it was correctly classified prior to signing off the case as decision ready.

### **Recommendation**

The PH/DI must ensure that all cases investigated are properly evaluated against S 28(1) of the IPID act, to ensure correct classification and reporting of investigations.

### **Management's response**

I am in agreement with the finding, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

**CCN 2016060072 and CCN 2016080368: The reason why we took this route was the fact that the use of Sec 28(1) (c) in cases where people sustained injuries due to gunshots appeared not to reflect the serious nature of the offence. Refuge was then taken in the use of Sec 28 (1) (h) which was followed to the latter and Form 4's and Form 8's were duly completed and authorized by the Director Investigation in compliance with the SOPS. See attached Annexure B.**

Name: GT Mmusi

Position: Director Investigation

Date: 2017/03/23

### **Auditor's conclusion**

Management comments noted, however it should be noted that incorrect classification of investigations may result to reported performance information that is not accurate and complete. Therefore management should revisit the entire population and ensure correct classification of all investigations completed as per the SOP and the IPID ACT.

## **25. Duplicate cases reported in the flow centric system.**

### **Requirement**

In terms of Public Finance Management Act section (40)(3)(a) The annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must—

*“fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned”*

Furthermore In terms of standard operating procedures (SOP) for IPID that was effective from 1<sup>st</sup> April 2015 par 6.2 (1) Procedure for registering the case:

*“A complainants form, or written complaint, must be completed in every event that IPID is to investigate a case (Form 1 or 2 as per IPID Regulations); all written complaints must be stamped with a receipt date. In the event that the written complaint is received outside normal working hours, the first available working day date will be regarded as the date of receipt”*

## Audit finding

For the indicator listed below, cases investigations have been duplicated in the flow centric system (same evidence on files, however different case numbers allocated by the system) and furthermore, the cases were not registered and allocated within 72 hours and should not be reported as such.

### Percentage of cases registered and allocated within 72 hours of written notification

CNN	Section	Complainant	Date case received by IPID as per case registration report	Date case received by IPID as per the stamp on the complaint form	Variance(days)
2016110554	28.1f- Torture or assault	Seipati Rantshonyane	2016/11/23	2016/09/20	64
2016090463	28.1f- Torture or assault	Seipati Rantshonyane	2016/09/19	2016/09/20	1

## Root Cause

- A case can be registered in one district area and transferred to another district, instead of re-routing on the system to a new district, the case is re-registered again.
- Furthermore the system does not have applications controls in place, to identify duplicate information that's already registered such as: same complainant name, Identity number etc. to notify the case worker that information has already being captured.

## Impact

- This may result to performance information reported relating to the indicator being overstated
- Noncompliance to the Public Finance Management Act section (40)(3)(a)

## Internal control deficiency

Financial and performance management

The Director or Provincial Head did not put in place adequate controls for correction of errors in the flow centric system as they were able to identify the duplicated investigation case file however no correction were made in the system.

## Recommendation

The Provincial Head should ensure adequate controls are in place in the correction of all identified errors made in the flow centric system in order to avoid misstatements in the performance reporting.

## Management's response

**I am not in agreement with the finding**, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

**CCN 2016110554 and CCN 2016090463: Challenges faced with regard to this matter were raised with the FC Administrators on 09/11/2016, with subsequent reminders on 14/11/2016 and 21/11/2016. Due to non-response the Administrator (Mr S Sibiya) was engaged telephonically and he directed that the original file CCN 2016090463 be**

closed and another one be registered. This was on 23/11/2016 where after CCN 2016110554 was registered. The fact that CCN 2016110554 was registered beyond 72 hours (according to the above finding) is precisely because consideration was given to the receipt date of the original file and not the date on which the directive to re-register was received which is 23/11/2016. See annexure C

Name: GT Mmusi  
Position: Director Investigation  
Date: 2017/03/23

### **Auditors' conclusion**

Management comments noted, however both investigations are recorded as decision ready which may result in the overstatement of performance information relating to both of the indicators (Percentage of cases registered and allocated within 72 hours of written notification & Percentage of investigations of assault that are decision ready).

Therefore management should revisit the entire population and ensure that duplicate cases are not reported as decision ready and only the initial case is included under the indicator of Percentage of cases registered and allocated within 72 hours of written notification.

### **26. Internal control deficiencies identified in relation to registration of cases on the flow-centric system.**

#### **Requirement**

PFMA section 38(1) (a) (i), states that, *"The accounting officer for a department, trading entity or constitutional institution must ensure that department, trading entity or constitutional institution has and maintains, effective, efficient and transparent systems of financial and risk management and internal control"*

#### **Audit finding**

For the indicator listed below, inconsistencies were noted between the dates of receipt of the cases recorded on the flow centric system and the dates of receipt of the case as per the stamped complaint form.

#### **Percentage of cases registered and allocated within 72 hours of written notification**

<b>CNN</b>	<b>Section</b>	<b>Date case received by IPID as per the flow-centric system</b>	<b>Date case received by IPID as per the stamp complainant form</b>
2016090284	28.1 c - Discharge of an official firearm	08 September 2016	12 September 2016
2016070340	28.1 h - Any other referred matter	18 July 2016	19 July 2016
2016110554	28.1 f - Torture or assault	23 November 2016	20 September 2016

#### **Internal control deficiency**

Financial and performance management

The provincial head/ Director did not ensure that the adequate internal controls are put in place to ensure that the dates captured on the flow centric system agrees to the dates of receipt of the case on the stamped complaint form to ensure that the number of hours taken to allocate the cases are calculated accurately by the system.

### **Recommendation**

The provincial head must ensure that the effective internal controls are put in place to ensure that the dates captured on the flow centric system agrees to the dates as per the stamped complainant forms in order for the number of hours taken to allocate the cases to be calculated accurately.

### **Management's response**

**I am not in agreement with the finding**, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

**CCN 2016090284** this matter was received on Thursday 08/09/2016 at 23h53 telephonically but Form 1 was only received on Monday 12/09/2016 at 08h00. The Form 1 was faxed within the required 24 hours which lapsed on Saturday 10/09/2016 and according to the SOPS the form had to be stamped on the first working day. The date of receipt on the registration form is the date on which the telephonic report was received. The date of receipt on the registration form talks to the receipt of the complaint and not the receipt of Form1. See attached annexure D (Form1 and registration form)

**CCN 2016070340** we concede to the error on the front file cover sheet which came about as a result of a misunderstanding. The matter has been addressed and all Case Workers have been made aware that the date of the telephonic report is the one applicable.

**CCN 2016110554** See annexure C above.

Name: GT Mmusi

Position: Director Investigation

Date: 2017/03/23

### **Auditor's conclusion**

Management comments noted with regards to complaints received telephonically. Annexure C provided relates to CCN2016090463. CCN 2016110554 should not be reported as a case that was received and allocated within 72 hours considering that the actual complaint was received in September and not in November. This may result to the overstatement of performance in the Annual Performance Report.

## **27. No receipt date stamped on the complainant forms.**

### **Requirement**

PFMA section 38(1) (a) (i), states that, *"The accounting officer for a department, trading entity or constitutional institution must ensure that department, trading entity or constitutional institution has and maintains, effective, efficient and transparent systems of financial and risk management and internal control"*

Furthermore "In terms of standard operating procedures (SOP) for IPID that was effective from 1<sup>st</sup> April 2015 par 6.2 (1) Procedure for registering the case:

*"A complainants form, or written complaint, must be completed in every event that IPID is to investigate a case (Form 1 or 2 as per IPID Regulations); all written complaints must be stamped with a receipt date. In the event that the written complaint is received outside normal working hours, the first available working day date will be regarded as the date of receipt"*

In terms of the Standard Operating Procedure (SOP) Par 6.3(36) "Upon approval of recommendations by the Director Investigations, recommendations must be forwarded to the relevant stakeholder within 30 days"

### **Audit finding**

For the indicator listed below, the complainant forms had no receipt date stamp and therefore we could not verify the number of hours taken to register and allocate the case.

#### **a) Percentage of cases registered and allocated within 72 hours of written notification**

<b>CNN</b>	<b>Section</b>	<b>Date captured</b>
2016090574	28.1 f - Torture or assault	2016/09/25
2016110137	28.1 f - Torture or assault	2016/11/06
2016070311	28.1 f - Torture or assault	2016/07/15
2016120509	28.1 f - Torture or assault	2016/12/29

For the indicator listed below, the provincial head did not include the date on the signature of the recommendation, therefore we cannot determine if the recommendation was submitted within 30 days as required by the SOP.

#### **b) Percentage of criminal recommendation reports referred to the NPA within 30 days of recommendation report being signed off**

<b>CNN</b>	<b>Section</b>	<b>Date signed by the provincial head</b>	<b>Date received by the NPA</b>
CNN2016040256	Sec 28.1 f - Torture or assault: Assault common	Not Date on the Signature	24-May-16

### **Impact**

- This may result to overstatement of performance information reported relating to cases registered and allocated within 72 hours of written notification and criminal recommendation reports referred to the NPA
- Noncompliance to the Public Finance Management Act section (40)(3)(a)

### **Internal control deficiency**

The director or Provincial head did not ensure that all written complaints are stamped with a receipt date to ensure that all the cases that are registered and allocated within 72 hours can be substantiated by appropriate evidence.

### **Recommendation**

The director or provincial head should ensure that all written complaints are stamped with a receipt date to ensure that the cases are registered and allocated within 72 hours can be substantiated appropriately.

### **Management's response**

**I am in agreement with the finding**, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

- a. All Case Workers have been directed to stamp Form1 (Reporting Forms) in accordance with the SOPS. The Case Intake Committee (CIC) has been directed to ensure compliance with the SOPS prior to allocation. At the completion stage the Supervisor as well as the Director Investigations have to ensure that the forms have been stamped.**
- b. The mistakes have been rectified.**

Name: GT Mmusi

Position: Director Investigation

Date: 2017/03/23

### **Auditor's conclusion**

Management comments noted, there is no evidence that substantiate performance under both indicators (Percentage of cases registered and allocated within 72 hours of written notification & Percentage of criminal recommendation reports referred to the NPA within 30 days of recommendation report being signed off) therefore case numbers listed in the table should not be reported at such and management should revisit the entire population for correction.

## **28. Documents not included in the case investigation files**

### **Requirement**

In terms of Section 15(1)(a) of the Public Audit Act " *when performing an audit, an authorised auditor has at all reasonable times full and unrestricted access to any document, book or written or electronic record or information of the auditee or which reflects or may elucidate the business, financial results, financial position or performance of the auditee*".

Furthermore In terms of standard operating procedures (SOP) for IPID that was effective from 1<sup>st</sup> April 2015 par 6.10 Procedure for completion and closing of files and dockets:

- *Obtaining the status of "Decision ready" for cases*
- 4. *The investigator initiate completion of a file through the supervisor after completing a case investigation report;*
- 5. *The supervisor reviews and quality assures directives and reports and recommend decision ready to Director Investigations;*
- 6. *The DI approve/disapprove;*

7. No investigator acting as DI will approve the completion of a file investigated by himself/herself;

- Par 6.4 (5) Procedure for investigating a case in terms of S28 (1) (c) states that:  
“The Investigator must obtain the relevant permit allowing the SAPS/MPS member to handle and use the firearm in question as well as a report relating to when last the said member was practically evaluated/tested for the handle and use of the said firearm;”

### Audit finding

For the indicator listed below, we could not obtain the case investigation report and evidence of the investigations in the case file, to confirm that the case was signed off by an appropriately delegated official and are decision ready.

#### a) (i) Percentage investigation of Rape by police officer that are decision ready

CNN	Section	Date completed
2016100324	28.1 d- Rape by a police officer	2016/11/16

ii) The following case file did not include the case form report (form 3) as well as the memorandum to the NPA, therefore it cannot be concluded that the case is decision ready.

CNN	Section	Date completed
2016100324	28.1 d- Rape by a police officer	2016/11/16

#### c) Percentage investigation of death in police custody that are decision ready.

CCN	Section	Date of completion
2016090088	28.1 a Death in police custody	2016/09/29
2016090331	28.1 a Death in police custody	2016/09/23

#### d) Percentage investigation of death as a result of police action that are decision ready

CCN	Section	Date of completion
2016040654	28.1 b Death as a result of police action	2016/09/29
2016060462	28.1 b Death as a result of police action	2016/06/30

#### e) Percentage investigation of other criminal and misconduct matters referred to in section 28(1)(h) and 35(1)(b) of the IPID act that are decision ready

CNN	Section	Date completed
2016060072	28.1 h - Any other referred matter	29-Jul-16

For the indicator listed below we could not obtain the firearm permit.

#### f) Percentage of investigations of discharge of an official firearm by a police officer that are decision ready

CCN	Section	Date of completion	Negative/ Positive
2016040061	28.1 c Discharge of firearm	2016/08/26	Negative

2016050444	28.1 c Discharge of firearm	2016/09/27	Negative
2016080014	28.1 c Discharge of firearm	2016/08/31	Positive
2016080107	28.1 c Discharge of firearm	2016/08/29	Positive
2016110152	28.1 c Discharge of firearm	2016/11/28	Positive
2016110205	28.1 c Discharge of firearm	2016/11/28	Positive
2016110305	28.1 c Discharge of firearm	2016/11/29	Positive
2016110366	28.1 c Discharge of firearm	2016/11/28	Positive
2016110634	28.1 c Discharge of firearm	2016/12/29	Positive

#### **h) Percentage of all backlog decision ready cases finalised**

CCN	Section	Date of completion	Negative/ Positive
2015090034	28.1 c Discharge of firearm	2016/05/31	Could not be determined as no case investigation report
2016020106	28.1 c Discharge of firearm	2016/02/29	Negative

For the indicator listed below, investigator statement could not be obtained from the case file

#### **J) Percentage of investigations of discharge of an official firearm by a police officer that are decision ready**

CCN	Section	Date of completion
2016110305	28.1 c Discharge of firearm	2016/11/28
2016110366	28.1 c Discharge of firearm	2016/12/29

#### **Impact**

- Non -compliance with Section 15(1)(a) of the Public Audit Act
- Case investigations reported as decision ready may not meet the requirements as per the SOP's to be reported as decision ready, due to all the necessary evidence not obtained. This may result to overstatement of the reported information in the Annual Performance Report.

#### **Internal control deficiency**

Financial and performance management

The Director or Provincial head did not ensure that the case files included all the required documentations, in order for the cases to be decision ready as per the requirements of the SOP.

#### **Recommendation**

The Director or Provincial head should ensure that the case files include all the required documentation in order for the cases to be decision ready as per the requirements of the SOP.

#### **Management's response**

**I am in agreement with the finding**, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:



**(a) (i) CCN 2016090334 and CCN 2016100001: See Annexure G1- G2**

**(a)(i) and (ii) CCN 2016100324: In this matter the suspects were arrested and the court processes unfolded. The investigations were completed but, the case docket remained with the Public Prosecutor who had to refer it to the Office of DPP for decision. See SPP's minutes attached as Annexure H. As the investigations were completed, the system was accordingly updated on 16/11/2016 after consultation with the Public Prosecutor and reaching an agreement that investigations were completed. We could not compile a report for referral to the DPP since the case docket was with the Public Prosecutor at Sasolburg Magistrate court.**

**(d) CCN 2016040654: In this matter the suspect was arrested and the court processes unfolded. The investigations were completed but, the case docket remained with the Public Prosecutor who had to refer it to the Office of DPP for decision. See SPP's minutes attached as Annexure I. As the investigations were completed, the system was accordingly updated on 29/09/2016 after consultation with the Public Prosecutor and reaching an agreement that investigations were completed. We could not compile a report for referral to the DPP since the case docket was with the Public Prosecutor at Ventersburg Magistrate court.**

**(c) CCN 2016090088 and CCN 2016090331: These are cases of suspects in cases of illegal mining (trespassing) who died whilst in police custody after admission to hospitals for treatment. Their deaths were certified to be due to natural causes and there was no evidence to prove any wrongdoing on the part of the SAPS. The inquest dockets were therefore referred to the SAPS for finalization. As a result there were no case dockets to refer to the DPP.**

**CCN 2016060462: The SAPS received information of a planned heist and activated intervention by the Task Force Unit. One of the suspects sustained injuries during the cross fire and died in hospital. Our investigations revealed that the shooting of the deceased suspect was justifiable in terms of applicable Legislation. Based on the available evidence the case docket was referred to the SAPS for investigations.**

**(e) CCN 2016060072: In this matter the suspect was arrested and the court processes unfolded. The investigations were completed but, the case docket remained with the Public Prosecutor who had to refer it to the Office of DPP for decision. See SPP's minutes attached as Annexure J. As the investigations were completed, the system was accordingly updated on 29/07/2016 after consultation with the Public Prosecutor and reaching an agreement that investigations were completed. We could not compile a report for referral to the DPP since the case docket was with the Public Prosecutor at Phuthaditjhaba Magistrate court.**

**CCN 2016050654, CCN 2016080335, CCN 2016080587, CCN 2016100159, CCN 2016110477: See annexure K1, K2, K3, K4 and K5.**

**(f) and (h) All Case Workers/Supervisors/Management have been directed to comply with the Firearm Control Act, Act 60 of 2000.**

**j. Preliminary investigations were conducted and it's an oversight of the Case Workers not to compile the I/O statement and the Supervisors/Management to detect the omission.**

Name: GT Mmusi

Position: Director Investigation

Date: 2017/03/23

### **Auditor's conclusion**

Management comments noted,

- CCN 2016090334, CCN 2016100001, CCN 2016050654, CCN 2016080335, CCN 2016080587, CCN 2016100159 & CCN 2016110477 cases have being subsequently removed from the tables on the finding as the information was provided.
- CCN 2016100324, management comments states that investigation was completed, however Case Investigation Report, Form 3 & Memorandum still not provided. Therefore there are no adequate supporting documents to validate that an investigation took place and the case was decision ready.
- Evidence provided relates to CCN201605654 and not CCN 2016040654
- CCN 2016090088, CCN 2016090331 and CCN 2016060462, management has commented that investigations took place and recommendations were issued to SAPS, however no evidence has being provided in this regard to substantiate management comments.
- Table F,H & J no evidence provided by management for the investigations carried out and recommendations issued to the external stakeholders.

Management should note that were no evidence is provided for investigations carried out and recommendations issued to external stakeholders, such cases can't be regarded as decision ready as this may result to an overstated of performance information reported.

## **29. Recommendations submitted to stakeholders however not recoded in the Master Register**

### **Requirement**

In terms of Public Finance Management Act section (40)(3)(a) The annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must—

*“fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned”*

Furthermore In terms of the Framework for Managing Programme Performance Information Chapter 3.2(a) *“A good performance indicator should be reliable, the indicator should be accurate enough for its intended use and respond to changes in the level of performance.*

### **Audit finding**

For the indicator listed below, Recommendations were submitted and receipt acknowledged by the National Prosecution Authority and the South African Police within 30 days, however not recorded on the recommendation master register.

**e) Percentage of criminal recommendation reports referred to the NPA within 30 days of recommendation report being signed off**

<b>CNN</b>	<b>Section</b>	<b>Date signed by the provincial head</b>	<b>Date received by the NPA</b>
CNN2016040053	Sec 28.1 b -Death as a result of police action: Negligent handling of a private vehicle leading to death	30-Jun-16	06-Jul-16
CNN2016080149	Sec 28.1 b -Death as a result of police action: Negligent handling of an official vehicle leading to a death	28-Nov-16	06-Dec-16
CNN2016090440	Sec 28.1 b -Death as a result of police action: Negligent handling of an official vehicle leading to a death	29-Dec-16	09-Jan-17
CNN2016110145	Sec 28.1 f - Torture or assault: Assault common	26-Nov-16	06-Dec-16
CNN2016080221	Sec 28.1 f - Torture or assault: Assault common	30-Sep-16	04-Oct-16
CNN2016050012	Sec 28.1 g- Corruption matters within the police: Corruption- sale, theft and or destruction of police dockets	08-Aug-16	10-Aug-16
CNN2016050009	Sec 28.1 g- Corruption matters within the police: Corruption- sale, theft and or destruction of police dockets	22-Aug-16	05-Sep-16
CNN2016060327	Sec 28.1 g- Corruption matters within the police: Corruption - Extortion or soliciting a bribe	27-Jul-16	02-Aug-16
CNN2016030329	Sec 28.1 f - Torture or assault: Assault common	29-May-16	21-Jun-16
CNN2016030294	Sec 28.1 f - Torture or assault: Assault common	30-May-16	06-Jun-16
CNN2016030439	Sec 28.1 f - Torture or assault: Assault common	13-May-16	06-Jun-16

**f) Percentage of disciplinary recommendation reports referred to SAPS/MPS within 30 days of recommendation reports being signed off.**

<b>CNN</b>	<b>Section</b>	<b>Date signed by the provincial head</b>	<b>Date received by the SAPS</b>
CNN2016110124	Sec 28.1 f - Torture or assault: Assault common	30-Nov-16	06-Dec-16
CNN2016050277	Sec 28.1 f - Torture or assault: Assault common	30-Jun-16	25-Jul-16
CNN2016100234	Sec 28.1 f - Torture or assault: Assault with intent to do grievously bodily harm crowd management related.	26-Nov-16	06-Dec-16
CNN2016080106	Sec 28.1 f - Torture or assault: Assault common	27-Sep-16	11-Oct-16
CNN2016120360	Sec 28.1 f - Torture or assault: Assault common	21-Feb-17	03-Mar-17
CNN2016110522	Sec 28.1 f - Torture or assault: Assault common	28-Feb-17	03-Mar-17
CNN2016110503	Sec 28.1 f - Torture or assault: Assault torture	28-Feb-17	03-Mar-17
CNN2016070311	Sec 28.1 f - Torture or assault: Assault common	31-Jul-16	19-Aug-16
CNN2016110554	Sec 28.1 f - Torture or assault: Assault	26-Nov-16	06-Dec-16

	common		
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## Impact

Performance information relating to the indicators may not be completely reported on the annual performance report.

Noncompliance to the Public Finance Management Act section (40)(3)(a)

## Internal control deficiency

*Financial and performance management*

Director or Provincial head did not ensure that all the recommendations are submitted to the head office to ensure recording in the recommendation master register.

## Recommendation

Director or Provincial head should ensure that all the recommendations are submitted to the head office to be recorded in the master register to ensure completeness of reported information.

## Management's response

**I am not in agreement** with the finding, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

**CCN 2016120360, CCN 2016110522, CCN 2016110503: these matters were referred to the SAPS on 03/03/2017 and were only going to be processed to Head Office before 07/03/2017 in order to appear in the Master register.**

**CCN 2016110554: there was an omission to report this matter. To avoid recurrence reports are been processed on weekly basis and in smaller quantities.**

**All other matters have been reported and are appearing in the Positive Recommendations Master register. Annexure F**

Name: GT Mmusi

Position: Director Investigation

Date: 2017/03/23

## Auditor's conclusion

Management comments noted, except for the 3 cases (CCN 2016120360, CCN 2016110522, CCN 2016110503) that were to be reported to Head Office on the 7<sup>th</sup> of March. All other cases were not recorded on the Master Register that was provided by Head Office. This may result to the performance of the indicator understated in the Annual Performance Report. Therefore the province should revisit the entire population and ensure that all recommendations completed are timeously submitted to the Head Office and Head Office updates the register to ensure completeness of the performance information to be reported.

### 30. The cases recorded under current intake have been classified incorrectly

#### Requirement

In terms of Public Finance Management Act section (40)(3)(a) The annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must—

*“fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned”*

Furthermore In terms of the Framework for Managing Programme Performance Information Chapter 3.2(a) “A good performance indicator should be reliable, the indicator should be accurate enough for its intended use and respond to changes in the level of performance.

#### Audit finding

For the indicator listed below, the following matters were noted:

#### Percentage of all active decision ready investigations finalised

The decision ready cases have been incorrectly reported as active instead of decision ready.

CNN	Section	Status as per case file	Status as per flow centric report
2016110503	28.1 f - Torture or assault	Completed	Active
2016120522	28.1 f - Torture or assault	Completed	Active
2016120360	28.1 f - Torture or assault	Completed	Active

The active cases have been incorrectly reported as decision ready instead of active.

CNN	Section	Status as per case file	Status as per flow centric report
2016100757	28.1 f - Torture or assault	Active	Completed

#### Root Cause

- Flow-centric system automatically changes the status (active/complete) of the investigations with no human intervention.

#### Impact

- Performance information relating to decision ready cases to be reported may be misstated in the Annual Performance Information Report.
- Noncompliance to the Public Finance Management Act section (40)(3)(a)

#### Internal control deficiency

Financial and performance management

Director or Provincial head did not ensure that the information recorded in the Flow Centric system is consistent with the evidence contained in the case files and there are adequate controls in places for changes made.

### **Recommendation**

Director or Provincial head should ensure that all information recorded in the Flow Centric system is consistent with the evidence contained in the case files and there are adequate controls in place for all the changes made.

### **Management's response**

**I am not in agreement with the finding**, internal control deficiency and recommendation for the following reasons [and supply the following/attached information in support of this]:

**See attached Annexure E1-E4 (FC status reports, copies of Front Case file cover sheet and QCF)**

Name: GT Mmusi

Position: Director Investigation

Date: 2017/03/23

### **Auditor's conclusion**

Management comments noted, the cases were completed on the system in the 4th quarter and the Provincial audits were based on the 3<sup>rd</sup> Quarter reports. Therefore finding will not be included in the Management Report.

## **31. Overstatement of the Backlog cases that are decision ready**

### **Requirement**

In terms of Public Finance Management Act section (40)(3)(a) The annual report and audited financial statements referred to in subsection (1) (d) of the PFMA Act must—

*“fairly present the state of affairs of the department, trading entity or constitutional institution, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned”*

**Furthermore** In terms of the Framework for Managing Programme Performance Information Chapter 3.2(a) “A good performance indicator should be reliable, the indicator should be accurate enough for its intended use and respond to changes in the level of performance.

For the indicator listed below, cases were completed in the 2015/16 year of assessment, however were recorded as backlogs and completed in the current financial year.

**Percentage of all backlog decision ready cases finalised (excluding cases of systemic corruption)**

CCN	Incident code	Date completed
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2016010017	28.1 f - Torture or assault	29-Jan-16
2016010043	28.1 f - Torture or assault	29-Feb-16
2016020154	28.1 f - Torture or assault	31-Mar-16
2016030027	28.1 f - Torture or assault	31-Mar-16
2016020291	28.1 f - Torture or assault	29-Feb-16

### **Impact**

- Overstatement of the backlog cases decision ready may be reported in the Annual Performance Report.
- Noncompliance to the Public Finance Management Act section (40)(3)(a)

### **Internal control deficiency**

The Director or Provincial head did not ensure that reconciliations are performed for all cases finalised in the current year against cases finalised in the prior year.

### **Recommendation**

The Director or Provincial head should ensure that reconciliations of the completed cases on the system to ensure that all cases are recorded in correct financial year.

### **Management's response**

**We are not in agreement with the finding. These matters were completed in the previous financial year; i.e. 2015/2016 and not under the current financial year.**

Name: GT Mmusi

Position: Director Investigation

Date: 2017/03/23

### **Auditor's conclusion**

Management comments noted, the cases were completed in the previous year, however were included in the current year as backlog cases that are decision ready. This may result in the decision ready cases in the current year overstated in the Annual Performance Report. Therefore Management should revisit the entire population and ensure that cases completed in the previous financial year are not reported as decision ready in the current financial year.

**Internal Audit**

**32. Internal control Deficiency -Internal Audit not conducting any work on Procurement and Contract Management**

**Requirement**

In terms Treasury Regulations section 3.2.6 *internal audit must be conducted in accordance with the standards set by the Institute of Internal Auditors.*

*Furthermore these standards states that the chief audit executive must establish a risk-based plan to determine the priorities of the internal audit activity, consistent with the organization's goals.*

**Audit Finding**

Procurement and contract management is normally subjected to numerous laws, regulations and instruction notes. Risk assessment in the area is usually high due to inherent risk of noncompliance and fraudulent activities.

It was noted that the Internal Audit did not perform any work on Procurement and contract management in the year under review.

**Impact**

- An independent, objective assurance not provided to management in an area that has inherent risks of non-compliance and fraudulent activities.

**Recommendation**

Internal audit function should include Procurement and Contract Management in their yearly plans to provide management with assurance that the controls, management has put in place, prevents and detects risks relating to procurement and contract management.

**Management response**

I do agree that the 2016/2017 Internal Audit Plan does not include Procurement and Contract Management. *I however do not agree that constitute an internal control deficiency* as noted in the heading of the finding as due care was taken in preparation of the IA Plan. The following points should also be noted:

- An SCM audit review was finalised during the 4<sup>th</sup> quarter of 2015/2016, the same time when the 2016/2017 draft audit plan was being drafted. Given that management was to be afforded to address issues raised, the adopted approach was that of quarterly monitoring of implementation in 2016/2017.
- The 2016/2017 IA Plan was risk based, where risk assessment registers as compiled by the Risk Management unit informed the focus areas. At time of drafting the plan, SCM could not make the cut due to the volume of other risk areas assessed as extreme at inherent level as well as the point noted in 1 above.
- Consultation was done with the AGSA team, where the 2016/2017 IA draft plan was forwarded for inputs. Except for a concern raised on whether we would be able to obtain services for the planned ICT review then, no other inputs were received.



The recommendation above is noted. The 2017/2018 draft IA Plan shall include an audit review on Procurement and Contract Management.

Name: Vivian Selauli

Position: Director: Internal Audit

Date: 05 April 2017

#### **Auditor's conclusion**

Management comments noted, the draft plan will be inspected to ensure inclusion of procurement and contract management. Finding is raised as an internal control deficiency because it's not a misstatement, and does not relate to non-compliance. However internal audit involvement in this area may assist in providing management with assurance about the continuous effectiveness of controls relating the Procurement and Contract management.

#### **Compliance: Procurement and Contract**

### **33. Noncompliance to PFMA and Preferential Procurement Regulations with regards to awarding of BBBEE points**

#### **Requirement**

In terms of section 38 of the PFMA, *"the responsibility of accounting officers must ensure the department, trading entity or constitutional institution has and maintains an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective"*.

Preferential Procurement Regulations 2011 states: *"those tenderers other than Exempted Micro-Enterprises (EMEs) must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating"*.

National Treasury Circular number 3 of 2015/2016 3.3 states *that "institutions may invite and accept price quotations from their current existing list of prospective suppliers and utilise the CSD for verification of key information received until 31 March 2016 when complete registration and verification will be performed on the CSD"* and 5.1 states that *"in a case where a prospective bidder is not registered on the CSD during the transitional period, institutions may verify may verify the prospective suppliers information manually till 31 March 2016"*

#### **Audit Finding**

The following matters were noted with regards to IPID Bid 0003/2015

- The bids were evaluated by the committee on the 23 October 2015, 19 & 26 January 2016
- The Acting Executive Director approved the recommended bidder(Tourest Travel Services) on the 15 of March 2016
- A bid proposal of Tourest Travel Services was accepted on the 18th of March 2016, subject to the outcome of security verifications.
- BBBEE certificate submitted by Tourvest Travel Services was not a certified copy as per the requirements of Public Procurement Regulations of 2011
- Verification of the BBBEE level was not verified on the CSD during the transitional period, therefore verifications were done manually.

Considering the above Tourest Travel Services should have been disqualified during the functionality evaluations on the basis that BBBEE certificate submitted was not a certified copy of the original certificate

**Impact**

- Non-compliance of the PFMA and Preferential Procurement Regulations 2011.
- Irregular expenditure incurred for all payments made to Tourest Travel Services.

**Internal control deficiency***Financial and performance management*

- Management did not adequately monitor and review the requirements of the Acts and Regulations to ensure prevention of Non-compliance.

**Recommendation**

- Management should ensure that reviews are adequately performed in relation to compliance to laws and regulations
- Furthermore should ensure complete disclosure of irregular expenditure of all payments made to Tourest Travel Services in the Annual Financial Statements.

**Management response**

The Department is in partial agreement with the finding, internal control deficiency and recommendation for the following reasons:

- The Management is in an agreement that BBBEE certificate submitted by Tourvest Travel Services was not a certified copy and this was found to be an oversight from the Bid Evaluation Committee that evaluated the same bid since the certificate appeared to be an original document. However the Department is not in agreement with the AG on disqualification of the Service Provider since without the BBBEE certificate the Tourest Travel Services was still a preferred bidder with a highest score. Attached for audit purpose find the recalculated evaluation comparative schedule without scoring on BBBEE certificate the Tourest Travel Services.
- The AG recommendation has since been noted and the relevant disclosure will be updated and addressed accordingly in line with the PFMA. The engagement with the Service Provider to obtain a certified copy has already commenced.

Name: Ms Z Cele

Position: Deputy Director: SCM

Date: 24 April 2017

**Auditor's conclusion**

Management comments noted, the recalculated evaluation was taken into consideration, except for BBBEEE points, the bidder is still the highest based on price and therefore the impact is not irregular expenditure. However the finding will remain and included in the Management report due to noncompliance and the internal control deficiency identified.

## Operating Expenditure

### 34. Fruitless and wasteful expenditure incurred on the re-organisation process

PFMA section 45 places the responsibility on all officials to use financial and other resources effectively, efficiently, economically and in a transparent manner and to take effective and appropriate steps to prevent, within that official's area of responsibility, any fruitless and wasteful expenditure.

Furthermore in terms of the organisational design directive changes to the organisational structures by departments 2015 Chapter 7 states that *"to avoid continuous reviews and changes that have the potential to affect implementation of programmes or the functioning of the departments, changes to the organizational structure by the departments should be limited to the following conditions, informed by principles as set out in the PSR."*

Section 7.7 *"Other proposed functions that affect functional configuration and the staff establishment's i.e abolishment of posts or functions, redesigning of posts or functions and relocations of posts or functions. High level diagnosis should be conducted to inform the business case and/or the rationale for such or the nature and scale of the exercise shall inform the organizational review and re-design processes to be followed by the department in line with the requirements of the PSA and PSR. The process to be followed must be guided by the phases, consisting of different steps, as well as decision making and on review points, in line with DPSA guide and toolkit on organizational restructuring"*

### Audit Finding

In terms of the approval request of re-organisation process to the minister, "the re-organisation aims to improve service delivery to the public as a result of core services being rendered at the service delivery point. Furthermore IPID will follow the provisions of the DPSA Guidelines on transformation and restructuring read together with the toolkit on organisational design in conducting the proposed reorganization process. The provision of the Public Service Act, Resolution No. 7 of 2002, labour Relations Act, and the Basic conditions of employment Act".

The following matters were however noted with regards to the re-organisation

- Although there is an implementation plan, there is no business case that would address the following:
  - a) The problems and its root cause(s) for operational or individual position related problems (e.g. the organisation as a whole is performing well but a certain region is struggling or unit is not performing as well as other similar units).
  - b) Reviews of the current performance (results and internal effectiveness) in order to determine the gap between required and actual
  - c) Decision on whether it is a structural or non-structural organisational problem exists.
  - d) Other alternatives to the restructuring
  - e) Benefits of the reorganisation (financial & nonfinancial)
  - f) Change & Risk Management strategies
- Budgeted cost as approved by the Minister were amounting to R430 000 for only 3 officials; however no Minister's approval in place for costs that were incurred by other officials.
- No evidence on file on consultations with external parties such as labour unions
- During the implementation of corrective measures upon the return of the ED, the majority of senior officials that were transferred were returned to their original position of

employment

### **Impact**

- All the expenditure incurred relating to the transfer should be completely disclosed as Fruitless and Wasteful expenditure in the notes of the Annual Financial Statement

### **Internal control Deficiency**

Financial and performance management

Management did not perform a detailed assessment as required by the directives and guidelines in order to determine the need and the rationale of the reorganisations that took place.

### **Recommendations**

Management should revisit the entire population and disclose all payments made in the current year relating to the transfers that took place due to the reorganization as fruitless and wasteful expenditure in the notes of the Annual Financial Statements.

### **Management's response**

I am in agreement with the finding, that proper process was not followed, however the responsible person was transferred to another Department and criminal case was instituted.

Name: Nomkhosi Netsianda

Position: Programme 1 Manager

Date: 04 April 2017

### **Auditor's Conclusion.**

Management comments noted, management should revisit the entire population and identify all the expenditure incurred relating to the re-organisation process and ensure the complete disclosure of fruitless and wasteful expenditure note in the Annual Financial Statement.

## **Audit of Performance Information**

### **35. Supporting documents not included in the investigation files**

#### **Requirement**

In terms of Section 15(1)(a) of the Public Audit Act " *when performing an audit, an authorised auditor has at all reasonable times full and unrestricted access to any document, book or written or electronic record or information of the auditee or which reflects or may elucidate the business, financial results, financial position or performance of the auditee*".

Furthermore In terms of standard operating procedures (SOP) for IPID that was effective from 1<sup>st</sup> April 2015 par 6.10 Procedure for completion and closing of files and dockets:

- *Obtaining the status of "Decision ready" for cases*
- 8. *The investigator initiate completion of a file through the supervisor after completing a case investigation report;*

9. The supervisor reviews and quality assures directives and reports and recommend decision ready to Director Investigations;

10. The DI approve/disapprove;

11. No investigator acting as DI will approve the completion of a file investigated by himself/herself;

- Par 6.4 (5) Procedure for investigating a case in terms of S28 (1) (c) states that: "The Investigator must obtain the relevant permit allowing the SAPS/MPS member to handle and use the firearm in question as well as a report relating to when last the said member was practically evaluated/tested for the handle and use of the said firearm;"
- Par 6.2(1) Procedure for the registration of cases state that: "An Investigator must immediately upon receipt of a case in writing, screen the case to determine whether or not it falls within the mandate of the IPID. A complaints form, or written complaint, must be completed in every event that IPID is to investigate a case (Form 1 or 2 as per IPID Regulations); All written complaints must be stamped with a receipt date. In the event that the written complaint is received outside normal working hours, the first available working day date will be regarded as the date of receipt;"

#### **Audit finding**

(a) For the indicator listed below, we could not obtain the case investigation report in the file of the investigations cases, to confirm that the case was signed off by an appropriately delegated official as decision ready.

##### **(i) Percentage investigation of death in police custody that are decision ready.**

CCN	Section	Date of completion
2016060527	28.1 d - Rape by a police officer	2016/06/29

(b) For the indicator listed below we could not obtain the firearm permit.

##### **(ii) Percentage of investigations of discharge of an official firearm by a police officer that are decision ready**

CCN	Section	Date of completion
2016080122	28.1 c - Discharge of an official firearm	2016/08/31

##### **(iii) Percentage investigation of death as a result of police action that are decision ready**

CCN	Section	Date of completion
2016050148	28.1 b – Death as a result of police action	2016/05/31

(c) For the indicator listed below we could not obtain the IPID Form 5 (IPID Crime Scene Report.)

##### **(iv) Percentage investigation of death in police custody that are decision ready.**

CCN	Section	Date of completion
2016070239	28.1 a – Death in police custody	2016/07/27

**(v) Percentage investigation of death as a result of police action that are decision ready**

CCN	Section	Date of completion
2016050148	28.1 b – Death as a result of police action	2016/05/31

(d) For the indicator listed below we could not obtain the IPID Form 6 (Post Mortem Report)

**(vi) Percentage investigation of death in police custody that are decision ready.**

CCN	Section	Date of completion
2016070239	28.1 a – Death in police custody	2016/07/27

(e) For the indicator listed below we could not find the IPID Form 1 or Form 2 in the case files to verify the date the written notification was received by the Department to calculate the number of hours taken to register and allocate the case for investigation.

**(vii) Percentage of cases registered and allocated within 72 hours of written notification**

CCN	Section	Date and Time Captured	Date and Time Allocated	Allocation Duration Hours
2016050148	28.1 b – Death as a result of police action	5/9/2016 5:23:00 PM	5/9/2016 5:44:00 PM	0
2016060285	28.1 f - Torture or assault	6/17/2016 10:12:00 AM	6/17/2016 3:32:00 PM	5
2016060527	28.1 d - Rape by a police officer	6/28/2016 10:38:00 AM	6/28/2016 1:26:00 PM	3
2016080122	28.1 c - Discharge of an official firearm	8/5/2016 9:30:00 AM	8/5/2016 3:46:00 PM	6
2016090652	28.1 h - Any other referred matter	9/27/2016 3:57:00 PM	9/28/2016 10:54:00 AM	19
2016070239	28.1 a – Death in police custody	7/13/2016 10:39:00 AM	7/13/2016 11:41:00 AM	1
2016090701	28.1 f - Torture or assault	9/29/2016 5:25:00 PM	9/30/2016 10:59:00 AM	17
2016080165	33.3 – Failure to comply with section 29	8/10/2016 7:43:00 AM	8/10/2016 1:32:00 PM	6
2016060394	28.1 e - Rape while in police custody	6/21/2016 4:42:00 PM	6/21/2016 5:43:00 PM	1

**Impact**

- Non -compliance with Section 15(1)(a) of the Public Audit Act
- Case investigations reported as decision ready may not meet the requirements as per the SOP's to be reported as decision ready, due to all the necessary evidence not

obtained. This may result to overstatement of the reported information in the Annual Performance Report.

### **Internal control deficiency**

Financial and performance management

The Director or Provincial head did not ensure that the case files included all the required documentations, in order for the cases to be decision ready as per the requirements of the SOP.

### **Recommendation**

The Director or Provincial head should ensure that the case files include all the required documentation to allow for the assessment of decision ready cases as per the requirements of the SOP.

### **Management's response**

I am in agreement with the findings for the case files listed above except CCN 2016060394 form 2 was located in the file (see attached)

Name: Azande Ntshangase

Position: Gauteng Provincial Head

Date: 07 April 2017

### **Auditor's conclusion**

Management comments noted, where all the necessary documents are not in the investigation file as expected in terms of the SOP and the technical indicator descriptions, the cases cannot be regarded as decision ready and should not be reported as such. Management should revisit the entire population for corrections.

### **36. Internal Control Deficiency- Rejections of cases not within the mandate of IPID**

PFMA section 38(1)(a)(i) , states that, *“The accounting officer for a department, trading entity or constitutional institution must ensure that department, trading entity or constitutional institution has and maintains, effective, efficient and transparent systems of financial and risk management and internal control”*

FMPPI Chapter 5 Par 5.2.3; *“The accounting officer or head official of an institution is responsible for ensuring that the institution has appropriate systems to collect, collate, verify and store the information.”*

#### **Audit Finding**

For the indicator listed below there are no adequate controls put in place over the decisions on whether a case falls within the mandate of IPID or not, only one individual makes the decision to reject cases that do not fall within the mandate of IPID and the Case Intake Committee only reviews the cases that are accepted as within the mandate.

**Performance indicator:** Percentage of cases registered and allocated within 72 hours of receipt of written notification.

#### **Impact**

Cases within the mandate of IPID may not be considered for investigations.

#### **Recommendation**

Management should ensure that there are adequate controls in place to enable the reviews of cases rejected that do not fall within the mandate of IPID.

#### **Management response**

I am in agreement with the finding. The Standard Operating Procedure (SOP) has been reviewed where the Case Intake Committee (CIC) is now expected to confirm, during registration of all cases, whether a case falls outside or within IPID mandate.

Name: Mathews Sesoko

Position: Programme 2 Manager

Date: 04 April 2017

#### **Auditor's conclusion**

Management comments noted, follow up's will be made on the updated and approved Standard operating procedure that would address the internal control deficiency identified.